DAVID C. SHEPARD

VS.

NORTHERN PACIFIC RAILWAY COMPANY, ET AL.

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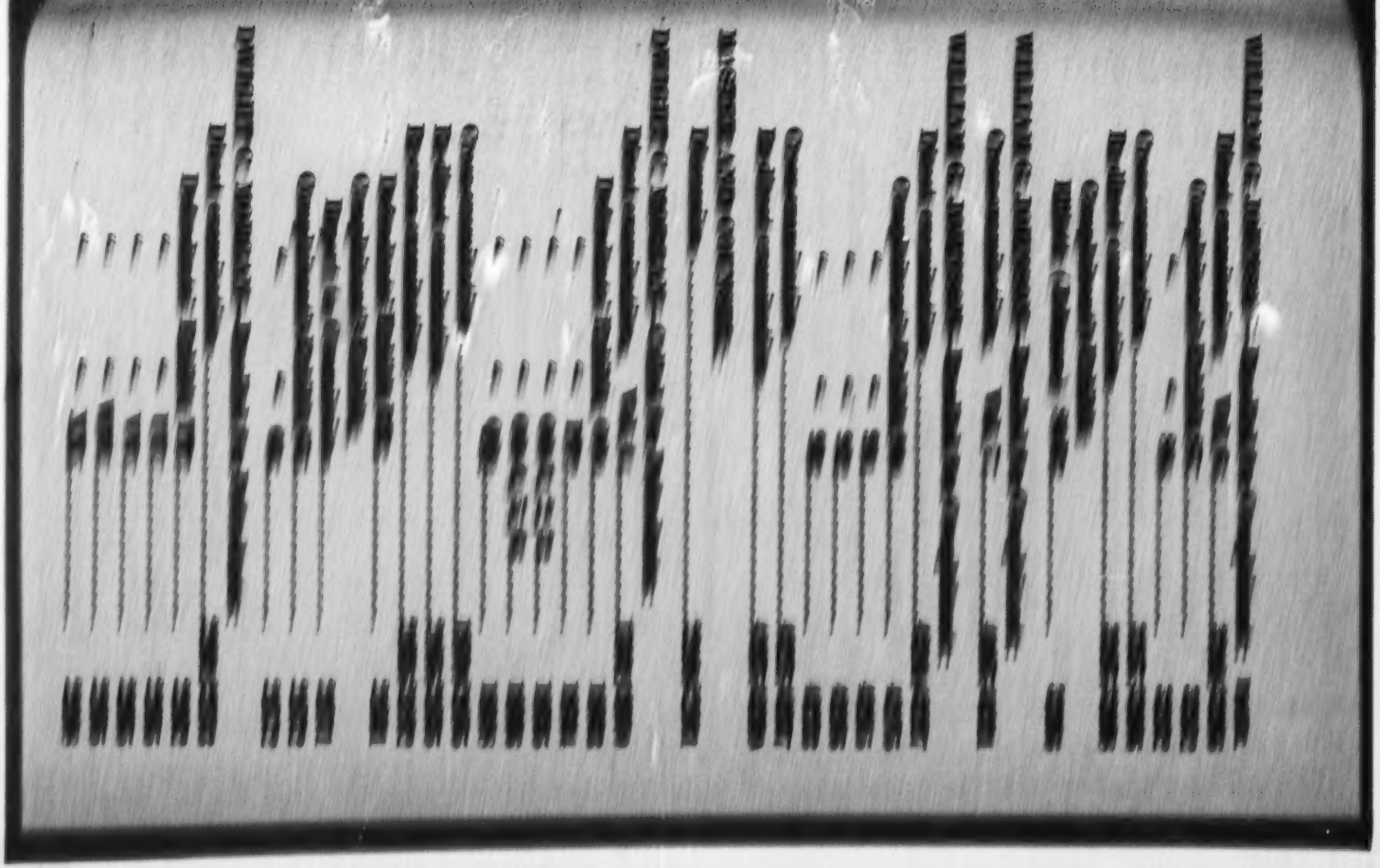

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DEFENDANTS' EXHIBIT B. DARLING.

August 10, 1907.

MR. HOWARD ELLIOT,
President Nor. Pac. Ry. Co.,
St. Paul, Minn.

DEAR SIR: Having substantially completed the examination of the properties of the Northern Pacific Railway Company in the State of Minnesota, I desire to call your attention to the cubical quantities of earthwork in road-bed as estimated by your engineers in respect to which I am unable in certain cases to confirm the figures presented in the report of your Company.

The quantities for each of the sections into which your system in Minnesota has been divided are given in the aggregate and for this reason it is impossible for me to determine just where and how the differences occur.

I believe however the matter can be adjusted so as to reach a satisfactory agreement and in order to facilitate this, I present herewith comparative table of differences on two sections in which the estimates of your engineers appear very widely at variance with my estimates:

SECTION NO. 2

Bald Eagle to West Duluth—133.299 mi.

	Excavation, Earth, c. y.	Excavation, Rock, c. y.	Embankment, cu. yds.	Total, * cu. yds.
Railway Company.....	1,844,580	18,203	2,671,283	4,515,863
Eng'r. of Commission..	1,444,395	89,705	2,918,162	4,362,557

In explanation, my figures represent the total excavation and the total embankment on this section which you will observe is a less amount than the total figures returned in the report of your Company as "pay quantities." In order that my total figure of "pay quantities" shall approximate the returns in your report, I am forced to assume that all excavation be estimated as waste material and all embankment made from borrow.

My examination on the ground does not sustain this assumption nor can it be reasonably assumed from an examination of the profiles.

The basis of my estimate of earthwork quantities on this section is as follows:

*Not including rock excavation.

A

Slopes one and one-half to one.

Embankment.	Excavation.
Single Track 16 feet	20 feet sub grade
Double Track 28 feet	32 feet sub grade

Station grounds according to track arrangement, as shown on profiles.

Careful measurements and close observation of the conditions at many points sustain this basis for the computations as being liberally fair. Many of the cuts were originally excavated with slopes of one to one. It is true that some of the cuts are of much greater width, but in each case where this condition exists it is clear that the extra material excavated was borrowed for embankment.

An analysis of the quantities on Section No. 2 shows that the embankment is in excess of the excavation, therefore, I submit the following estimate of pay quantities:

Embankment	2,918,162 cu. yds.
Shrinkage 10%	291,816 cu. yds.
Total Embankment	3,209,978 cu. yds.
" Excavation	1,444,395 cu. yds.
" Borrow	1,765,583 cu. yds.
Total Excavation and Borrow...	3,209,978 cu. yds.
Waste	300,000 cu. yds.
Total pay quantity measured in Excavation	3,509,978 cu. yds.

Compared with the returns presented in the report of your Company as "pay quantities," the estimate of your engineers exceeds my estimate 1,105,885 cubic yards in earthwork.

I desire also to call your attention to the difference in the quantities of solid rock excavation on this section. Your engineers estimate 18,203 cubic yards, whereas careful observation in the field and computations based upon one-quarter to one slopes and 18 feet roadway at sub grade gives 89,705 cubic yards of solid rock excavation. In this you will observe that my estimate exceeds that of your engineers 71,502 cubic yards of solid rock.

COPY BOUND CU

SECTION NO. 10.

Staples to Minnesota-Wisconsin State Line 127.834 miles.

	Excavation, Earth, c. y.	Excavation, Rock, c. y.	Embankment, cu. yds.	Total, * cu. yds.
Railway Company.....	353,600	9,177	2,826,110	3,179,710
Eng'r. of Commission...	866,921	15,646	1,833,584	2,700,505

My estimate of quantities on Section 10 is upon the same basis as for Section 2, and is as follows:

Embankment	1,833,584 cu. yds.
Shrinkage	183,358 cu. yds.
Total Embankment.....	2,016,942 cu. yds.
Excavation	866,921 cu. yds.
Borrow	1,150,021 cu. yds.
Total Excavation and Borrow...	2,016,942 cu. yds.
Waste	100,000 cu. yds.
Total pay quantities measured in excavation	2,116,942 cu. yds.

Compared with the estimate of your engineers, there appears a difference in pay quantities of 1,062,768 cubic yards of earthwork, and in rock excavation my estimate again is in excess of the returns of your Company 6,469 cubic yards.

In respect to the earthwork differences, this may be partially accounted for by reason of several important sink holes encountered on this particular section of the line.

From the information obtained on the inspection trip as to the extent and character of these swamps and the amount of material verbally reported to have been required to establish a permanent road-bed, I am not of the opinion that the difference in the estimate of more than a million cubic yards, represents the amount of material deposited in the sink holes on Section 10.

It would seem that the records of your Company as to the work done at the several points would enable an agreement in respect to this.

There are several sections other than these, in which quite wide differences in the earthwork quantities appear to exist, but the work of re-checking my estimates has not proceeded

*Not including rock excavation.

SE IN CENTER

far enough to enable me to place the entire matter before you at this time, therefore, I have thought it advisable to call your attention to Section 2 and 10 now, believing it would facilitate the work and enable such review of the estimates of your engineers as you may deem desirable.

The details of my estimates are in such shape that should you care to have your engineers look over the profiles and work, I will give the matter personal attention in the hope that the differences which now appear to exist may be fairly adjusted.

Yours truly,

_____

Engineer.

DEFENDANTS' EXHIBIT G. COOPER. (N. P.)

COMMERCIAL STREET PROPERTY, ST. PAUL.

Cost—Amount paid for property		$249,050.00
Interest	$16,220.86	
	1,051.88	17,272.74
Taxes	1,906.91	
Less credit	56.65	1,850.26
Other expenses—		
Paid Morits	$500.00	
Budd	127.80	
Tiffany	183.00	
M. T. Sanders	7.00	
Record fees	23.50	
Miscellaneous	29.19	
Supervision and clerical expense	2,000.00	
	$2,870.19	
Less rentals collected	205.05	2,665.14
Total Cost		$271,738.14

Area—18.96 acres.

COMO PROPERTY, ST. PAUL.

Cost—Amount paid for property		$53,085.61
Taxes		585.39
Interest		2,939.80
Other expenses—		
Paid Tiffany	$125.00	
Record fees	1.75	
Supervision and clerical work	250.00	376.75
Total Cost		$56,987.55

Area—55.86 acres.

PROPERTY BOUGHT FROM SOO LINE.

Consideration paid Soo		$22,525.00
Other expenses—		
Arbitrator's fees	$752.00	
Miscellaneous, record fees, etc	14.00	766.00
Total Cost		$23,291.00

Area—2.749 acres.

No taxes or interest charged in the amount.

WAGENER STRIP.

Amount paid for property	$1,500.00
Other expenses—Record fee and Abstract	10.00
Total Cost	$1,510.00

Area—0.068 acres.

SUMMARY.

Commercial Street property	$271,738.14
Como property	56,987.55
Soo Line property	23,291.00
Wagener property	1,510.00
Total	$353,526.69

DEFENDANTS' EXHIBIT L. COOPER. (N. P.)

Segregation of St. Paul and Duluth Property from other Northern Pacific Property in Minnesota, as Testified to by Thomas Cooper, Land Commissioner, in the Minnesota Rate Case, June, 1908.

Sup. No. of L. C. Report	Location	Acres	Value per Acre	Total Value
2	West Duluth to White Bear	2,409.00	$208.97	$503,414.55
3	West End to Fond du Lac	241.06	429.02	103,418.70
4	Carlton Yard	57.04	124.00	7,073.25
5	Carlton to Cloquet	84.97	341.55	29,021.10
6	Groningen to Banning	61.06	105.00	6,411.30
7	Rush City to State Line	191.44	50.83	9,731.10
8	Wyoming to Taylors Falls	253.23	330.03	83,574.00
9	White Bear to Stillwater	151.44	1,698.40	257,206.20
11	White Bear to St. Paul	172.27	1,160.14	199,857.50
13	Minneapolis to White Bear	142.19	533.43	75,847.50
	Totals, excluding Twin Cities and Duluth	3,763.70	338.91	$1,275,555.20
1	Duluth Terminal	381.13	$9,283.67	$3,538,285.37
12	St. Paul Terminal	86.40	22,010.63	1,901,718.10
12	Minneapolis Terminal	15.72	11,931.92	187,569.83
	Totals, Twin Cities and Duluth	483.25	11,645.26	$5,627,573.30
	Grand Totals	4,246.95	1,625.43	$6,903,128.50

St. Paul, Minn.
June 26th, 1908.

DEFENDANTS' EXHIBIT M. COOPER. (N. P.)

Statement showing Total Area of the following Terminal Properties of the Northern Pacific Railway Company, sub-divided to show quantity now used by Railway Company, quantity used by others, and quantity not in use.

Terminal	Total Area Acres	Used by Railw'y Co. Acres	Used by Others Acres	Not Used Acres
Superior	982.62	594.46	85.67	302.49
Duluth	600.91	405.83	94.42	100.66
Duluth Union Depot & Ter. Co.	6.94	6.94	.....	.....
St. Paul	676.97	296.57	202.00	178.40
Minneapolis	284.61	191.98	18.05	74.58
Spokane	422.31	286.55	16.66	119.10
Tacoma	680.84	456.93	46.94	176.97
Seattle	461.03	368.33	18.40	74.30
Butte	223.76	213.23	10.53	.....
Everett	124.68	59.23	12.85	52.60
Bellingham	67.86	51.72	1.14	15.00
South Bend	35.63	25.82	9.81	.....
Aberdeen and Hoquiam	69.83	69.76	.07	.....
Totals	4,637.99	3,027.35	516.54	1,094.10

The above statement is compiled from the records of the Northern Pacific Railway Company, and is substantially correct; the area used by others is leased under terms which permit of cancellation of the leases on not exceeding one year's notice if required for railroad purposes; the area used by others and the area not used, was all purchased and is held for terminal purposes, and will be required for such within a reasonable period of time.

St. Paul, Minnesota,
April 9th, 1907.

Thomas Cooper.

DEFENDANTS' EXHIBIT M-1. COOPER. (N. P.)

Statement showing Total Area and Valuation of Right of Way and Terminal Grounds Northern Pacific Railway Company, Subdivided to show Area Purchased and Valuation thereof, and Area Donated and Valuation thereof.

	Total Area		Area Purchased		Area Donated	
	Area	Valuation	Area	Valuation	Area	Valuation
Wisconsin	3,454.69	$1,966,639.00	2,919.33	$1,876,913.38	535.36	$89,725.62
Minnesota	21,532.83	24,805,933.96	12,136.34	21,210,946.66	9,396.49	3,594,987.30
North Dakota	31,831.76	10,353,506.00	11,965.95	3,218,227.00	19,865.81	7,135,279.00
Montana	51,454.97	7,049,709.00	9,782.85	3,139,791.75	41,672.12	3,909,917.25
Idaho	6,357.74	946,431.00	1,969.70	407,066.75	4,388.04	539,364.25
Washington	36,321.57	60,156,630.63	11,432.57	40,027,782.50	24,889.00	20,128,848.13
Oregon	756.72	648,612.00	756.72	648,612.00	None	None
Washington & Columbia River Railway	2,733.00	371,200.00	1,822.00	247,433.33	911.00	123,766.67
Port Townsend Southern Railway	461.16	75,204.00	461.16	75,204.00	None	None
Duluth Union Depot & Terminal Co	6.94	420,625.00	6.94	420,625.00	None	None
Minnesota & International Ry. (N. P. 70% interest)	1,911.94	95,597.25	1,052.21	52,610.95	859.73	42,986.30
Totals	156,823.32	$106,890,087.84	54,305.77	$71,325,213.32	102,517.55	$35,564,874.52

The above statement has been compiled from the records of the Northern Pacific Railway Company; because of the long period of time since most of the property was acquired, and for other reasons, the records are incomplete, therefore the figures are to a limited extent an approximation, but are believed to be substantially correct.

St. Paul, Minnesota,
April 9th, 1907.

Thomas Cooper.

DEFENDANTS' EXHIBIT O. WATSON.

Valuations made by O. L. Taylor, John J. Watson and W. C. Read, October, 1906, on property owned by Chicago, Rock Island and Pacific Railway Company, in Ramsey County, Minnesota.

From Easton Avenue to State Street	$1.00 per square foot.
From State Street to Chester Street	.75 per square foot.
From Chester Street to St. Lawrence Street	.50 per square foot.
From St. Lawrence Street to Arthur Avenue	.20 per square foot.
From Arthur Avenue to City Limits	.10 per square foot.

DEFENDANTS' EXHIBIT R. DARLING.

NORTHERN PACIFIC RAILWAY COMPANY

General office building, St. Paul	$585,000.00	
" " " boiler house	19,000.00	
" " " store house	11,000.00	
" " " furniture	67,888.00	
		$682,888.00
General office building, Tacoma, including furniture		153,712.00
		$836,600.00

DEFENDANTS' EXHIBIT S. DARLING.

NORTHERN PACIFIC RAILWAY COMPANY

MILEAGE, JUNE 30TH, 1907.

DESCRIPTION	Main Track		2nd Track	3rd Track	Spurs	Yard Tracks & Sidings
	Main Line	Branches				
Wisconsin						
Ashland to Wisconsin and Minnesota state line	77.63	.....	.....	.....	8.03	16.07
Central Ave. to Wis. & Minn. state line (ctr. St. Louis Bay Br.)	6.06	.....	0.85	.....	1.79	17.00
Walbridge Line	3.16	.....	.....	.....	.....	.....
Wisconsin Central Ry. in Ashland (leased)	*0.33	.....	.....	.....	.....	.....
Washburn Branch	.....	33.78	.....	.....	.....	5.91
West Superior Branch	.....	1.41	.....	.....	.....	1.65
Grantsburg Branch	.....	12.00	.....	.....	0.09	0.99
Spurs in Superior—joint	.....	.....	.....	.....	1.46	0.29
Lake Superior Terminals & Tranfer Ry. (joint)	.....	.....	.....	.....	.....	17.51
Total	87.18	47.19	0.85	.....	11.37	59.42
Minnesota						
Wis. & Minn. state line to Minn. & N. Dak. state line	237.10	.....	64.18	1.58	8.59	111.22
Rice's Point to Minn. & Wis. state line (ctr. St. Louis Bay Br.)	1.64	.....	1.33	.....	1.49	37.95
Walbridge Line	0.09	.....	.....	.....	.....	.....
St. Paul to Staples	139.77	.....	10.44	.....	21.98	94.68
Little Falls to Brainerd	32.91	.....	.....	.....	.....	4.46
Duluth Short Line	152.06	.....	16.87	.....	17.75	90.40
St. Paul Union Depot Co. (joint)	0.56	.....	.....	.....	.....	8.20
Minneapolis & St. Louis R. R. in Minneapolis (leased)	*1.62	.....	1.38	.....	.....	.....
Great Northern Ry. St. Paul to Minneapolis (leased)	*7.72	.....	7.72	.....	.....	.....
Minneapolis Union Ry. in Minneapolis (leased)	*2.52	.....	2.52	.....	.....	.....
Line "A," General Office Bldg to Mississippi Str., St. Paul	1.53	.....	1.53	.....	.....	.....
Line "A" St. Anthony Park to 20th Ave. So., Minneapolis	2.57	.....	2.57	.....	.....	.....
Line from Terminal Yard, Minneapolis, to North Town Jct., Mpls.	3.42	.....	3.37	.....	.....	.....
Duluth Union Depot Co.	0.25	.....	.....	.....	.....	2.33
Minneapolis-White Bear Branch	.....	13.07	.....	.....	0.87	7.96
Fond du Lac Branch	.....	12.28	.....	.....	1.79	2.48
West Superior Branch	.....	2.01	.....	.....	2.98	2.52
Cloquet Branch	.....	6.95	.....	.....	2.32	3.58
Grantsburg Branch	.....	5.08	.....	.....	.....	2.20
Miller Branch	.....	4.27	.....	.....	0.60	0.58
Taylor's Falls Branch	.....	20.52	.....	.....	0.18	2.47
Stillwater Branch	.....	12.74	.....	.....	1.90	4.73
Little Falls & Dakota Branch	.....	87.94	.....	.....	0.55	9.06
Fergus Falls Branch	.....	74.97	.....	.....	0.36	7.40
Red River & Winnipeg Branch	.....	95.45	.....	.....	1.60	22.49
Red Lake Falls Branch	.....	54.98	.....	.....	1.04	2.65
Keystone Branch	.....	6.01	.....	.....	.....	0.86
Spurs in Duluth (joint)	.....	.....	.....	.....	1.47	1.28
Minnesota Transfer Ry. Co. (joint)	.....	.....	.....	.....	.....	69.80
Minnesota & International Ry. (controlled)	162.96	11.33	.....	.....	15.38	25.55
Spurs in Minneapolis (joint)	.....	.....	.....	.....	1.12	.....
Spurs in Scanlon and Cloquet (joint)	.....	.....	.....	.....	1.00	1.42
Great Northern, North Town Jct. to St. Cloud (joint)	*	.....	61.65	.....	.....	11.97
Total	746.72	407.60	173.56	1.58	82.97	528.24

DEPENDANTS' EXHIBIT S. DOCKET.—Cont.

NORTHERN PACIFIC RAILWAY COMPANY

MILEAGE JUNE 30TH, 1905.

DESCRIPTION	Main Track		2nd Track	3rd Track	Sidings	Total Track Miles
	Main Line	Branches				
North Dakota.						
Minn. & N. Dak. state line to N. Dak. & Mont. state line	227.58		22.16		18.59	268.47
Red River & Winnipeg Branch		96.28			6.89	15.68
Fergus Falls Branch		74.55			6.25	7.11
Fairview Branch		12.79			1.66	1.25
Fargo & Southwestern Branch		105.59			6.11	12.05
Gwinner Branch		69.16				4.48
Cooperstown Branch		62.88				7.32
James River Branch		45.55				3.68
Oakes Branch		15.20				1.73
Devils Lake Branch		107.65				12.58
Sykeston Branch		55.68				6.19
Oberon Branch		22.65				2.56
Linton Branch (2.67 miles joint)		45.32				2.48
Total	227.58	736.61	22.16		39.57	289.06
Manitoba.						
Red River & Winnipeg Branch, leased to Province of Man.		65.94				12.96
Hope Farm Branch, leased to Province of Man.		2.96				
Brandon Branch, leased to Province of Man.		105.28			9.17	17.46
Fishground Branch, leased to Province of Man.		6.88				
South River Branch, leased to Province of Man.		39.94				4.66
Portage la Prairie Branch, leased to Province of Man.		72.54				9.62
Lake Branch, leased to Province of Man.		15.66				1.81
Winnipeg Transfer Ry. Co., Ltd., leased to Province of Man.		1.24			0.76	0.44
Total		334.45			9.93	46.15
Montana.						
N. Dak. & Mont. state line to Mont. & Idaho state line	702.35				35.22	737.57
Butte Line, Logan to Garrison	156.21		1.66		36.15	46.36
Rocky Fork Branch		46.37			4.58	3.49
Clark's Fork Branch		19.72			3.62	4.33
Park Branch		36.28			2.81	4.05
Gaylord & Riley Valley Branch, Whitehall to Alder and Ramsay to Parrot		46.31			0.39	3.66
Red Bluff Branch		21.69				2.39
Pony Branch		6.85				0.81
Anaconda Branch, leased to B. A. & P. Ry.		2.96			2.62	10.11
Boulder Branch		7.98			0.98	0.79
Wickes Branch, Cable to Wickes, not operated		3.96			0.96	0.96
Switchback to M. C. Ry. at Wickes, not operated		0.71				
Montana Central Ry., Helena to Boreaning, leased		36.17				
Elkhorn Branch		30.13			0.69	1.57
Red Mountain Branch		16.53			2.36	1.82
Marysville Branch		12.38				1.47
Philipsburg Branch		25.94			2.09	2.18
Bitter Root Branch		62.35			6.39	7.69
Coeur d'Alene Line		109.53			4.19	7.36
Otsokis Branch, not operated		0.17				

[illegible]

DEFENDANTS' EXHIBIT S. DARLING.—*Cont.*

NORTHERN PACIFIC RAILWAY COMPANY

MILEAGE, JUNE 30TH, 1907.

DESCRIPTION	Main Track		2nd Track	3rd Track	Spurs	Yard Tracks and Sidings
	Main Line	Branches				
Oregon						
Wash. & Ore. state line to Portland	39.16	.....	.....	.....	2.71	6.74
Washington & Columbia River Ry., controlled	30.74	14.58	.....	.....	0.24	5.04
Nor. Pac. Terminal Co. of Oregon, Portland, joint	*0.92	.....	.....	.....	3.28	16.31
Total	70.82	14.58	.....	.....	6.23	28.09

DEFENDANTS' EXHIBIT S. DARLING—*Cont.*

NORTHERN PACIFIC RAILWAY COMPANY

MILEAGE, JUNE 30TH, 1907.

DESCRIPTION	Main Track	2nd Track	3rd Track	Spurs	Yard Tracks & Sidings
Owned					
Main Line	2,752.25	171.25	1.58	206.78	1,187.00
Branches	3,029.48	1.53	.....	130.58	383.00
Duluth Union Depot Co	0.25	.....	.....	.....	2.33
Winnipeg Transfer Ry. Co., Limited	1.24	.....	.....	0.76	0.64
Total owned	5,783.22	172.78	1.58	338.12	1,573.06
Controlled					
Minnesota & International Ry	174.29	.....	.....	15.38	25.55
Port Townsend Southern R. R	43.63	.....	.....	2.20	1.68
Washington & Columbia River Ry	168.86	.....	.....	2.32	19.43
Total controlled	386.78	.....	.....	19.90	46.66
Leased					
Minneapolis & St. Louis R. R. in Minneapolis, Minn	*1.62	1.38	.....	.....	.....
Great Northern Ry. St. Paul to Minneapolis, Minn	*7.72	7.72	.....	.....	.....
Minneapolis Union Ry. in Minneapolis, Minn	*2.52	2.52	.....	.....	.....
Wisconsin Central Ry. in Ashland, Wis.	*0.33	.....	.....	.....	.....
Montana Central Ry. Helena to Boomerang, Mont	*36.17	.....	.....	.....	.....
Total leased	48.36	11.62	.....	.....	.....
Joint					
St. Paul Union Depot Co., in St. Paul, Minn	0.56	.....	.....	.....	8.20
Minnesota Transfer Ry	.....	.....	.....	.....	69.80
Lake Superior Terminal & Transfer Ry. in Superior, Wis	*	.....	.....	.....	17.51
Spur tracks in Duluth, Minn., and Superior, Wis	.....	.....	.....	2.93	1.57
Spur tracks in Cloquet and Scanlon, Minn	.....	.....	.....	1.00	1.42
Spur tracks in Minneapolis, Minn	.....	.....	.....	1.12	.....
Tracks in Linton, N. Dak. (N. P. & C. M. & St. P. Ry. Co.'s)	1.11	.....	.....	.....	1.36
Nor. Pac. Terminal Co. of Oregon in Portland, Ore	*0.92	.....	.....	3.28	16.31
Great Northern, North Town Jct. to St. Cloud	.....	61.65	.....	.....	11.97
Total joint	2.59	61.65	.....	8.33	128.14
Summary					
Mileage owned	5,783.22	172.78	1.58	338.12	1,573.06
" controlled	386.78	.....	.....	19.90	46.66
" leased	48.36	11.62	.....	.....	.....
" joint	2.59	61.65	.....	8.33	128.14
Grand Total	6,220.95	246.05	1.58	366.35	1,747.86

NOTE: 0.98 mile between Kalama and Goble, being distance across Columbia River, is added, one-half to main line in Washington, and one-half to main line in Oregon.

DEFENDANTS' EXHIBIT T. GRAY.

NORTHERN PACIFIC RAILWAY COMPANY.

Statement of Mileage of Branch Roads included in 3,029.48 miles of Branch Lines, as per annual report of June 30, 1907, that were in the possession of the Northern Pacific Railroad Company at the time of the issue of the Consolidated Mortgage Bonds in December, 1889.

Original Name	Mileage June 30, 1889	
Leased:		
Little Falls & Dakota Railroad	87.80	
Fargo & Southwestern Railroad	87.40	
James River Valley Railroad	64.20	
Sanborn, Cooperstown & Turtle Mountain Railroad	36.50	
Jamestown & Northern Railroad	102.50	
Rocky Mountain Railroad of Montana	51.70	
Nor. Pac. & Montana R. R.—Helena, Boulder Val. & Butte	30.00	
Helena & Jefferson County Railroad	20.10	
Nor. Pac. & Montana R. R.—Helena & Northern	12.50	
" " " " —Drummond & Phillipsburg	32.20	
" " " " —M. & Bitter Root Valley	50.50	
*Central Washington Railroad	87.50	
		662.90
Stock Owned by Nor. Pac. R. R.:		
Northern Pacific, Fergus & Black Hills R. R.	117.10	
Duluth & Manitoba Railway	206.70	
Southeastern Dakota Railroad	8.90	
Northern Pacific, LaMoure & Missouri River Railroad	21.30	
Spokane Falls & Idaho Railroad	13.60	
Spokane & Palouse Railway	104.40	
Northern Pacific & Cascade Railroad	18.60	
Tacoma, Orting & Southeastern Railroad	7.60	
		498.20
Part of Stock Owned by N. P. R. R.:		
Helena & Red Mountain Railroad	16.70	
Cœur d'Alene Railway & Navigation Co. (Narrow Gauge)	31.20	
		47.90
Owned (No stock outstanding):		
*Jamestown & Northern Extension Railroad	18.00	
Cokedale Spur	3.60	
Cle Elum Railroad	3.44	25.04
Total		1,234.04

* Acquired in 1890.

DEFENDANTS' EXHIBIT U. GRAY.

NORTHERN PACIFIC RAILWAY COMPANY.

Statement showing disposition of Northern Pacific Railroad Company Consolidated Mortgage Bonds as result of the reorganization of September 1, 1896.

HELD AT TIME OF REORGANIZATION:			
By the Public, as follows—			
Converted under Plan of Reorganization	(a)	$44,923,000	endorsed by Court
Redeemed by Court under foreclosure decree	(b)	424,000	" " "
Held by public subject to redemption by Court		8,000	$45,355,000
By the Northern Pacific Railroad Co.—			
Redeemed by Court under foreclosure decree (endorsed)	(b)	165,000	
By Farmers' Loan & Trust Co., Trustee—			
Account Preferred Stockholders		3,347,000	
DEPOSITED AS COLLATERAL:			
Under Receivers' Certificates (Cancelled)	(a)	4,726,000	
Under Collateral Trust Notes (Stamped across face with payment of $34.696)	(c)	6,850,000	
Under Northwest Equipment Trust (Cancelled)	(c)	2,000,000	
Total			$62,443,000
WHERE HELD AT THIS TIME:			
By Mercantile Trust Co. as custodian for Northern Pacific Ry. Co.	(a)	$49,649,000	
By Assistant Treasurer, N. Y.	(b)	589,000*	
By Farmers' Loan & Trust Co., Trustee, Acct. Preferred Stockholders		3,347,000	
By Assistant Treasurer, N. Y.	(c)	8,850,000	
By the Public (see above)		8,000	
Total			$62,443,030

* 589 bonds were redeemed by Court, but the clerk could find only 587 when he sent them to the Assistant Treasurer.

DEFENDANTS' EXHIBIT W.

DEFEN

COST OF CONSTRUCTION AND

From Septemb

Year	Figures from Annual Report to Stockholders	Commission	Stockholders	Commission	Extra	H. A. GRAY 10 mos. to 4/30	*Deduct
1870							
1877							
1878							
1879							
1880							
1881							
1882							
1883							
1884							
1885							
1886							
1887							
1888							
1889							
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1898							
1899							
1900							
1901							
1902							
1903							
1904							
1905							
1906							
1907							
1908							
1909							

ANTS' EXHIBIT V.—GRAY

QUIPMENT OF NORTHERN PACIFIC RAILWAY

r 1st, 1876, to June 30th, 1907

Cost of Construction, less Credits charged to Operating Acc.	Total Construction at end of each year	Cost of Equipment, including Credits charged to Operating Acc.	Total Cost of Equipment at end of each year	Total Cost of Construction and Equipment at end of each year
$18,922,119.80	$18,922,119.80	$1,066,974.98	$1,066,974.98	$20,017,094.48
1,069.81	19,464,189.31	*12,281.12	1,081,693.86	20,545,883.17
194,461.13	19,583,650.44	33,675.09	1,115,369.55	20,704,919.99
9,314.75	19,597,965.19	21,638.25	1,137,007.80	20,734,972.99
5,450,532.66	25,048,497.85	212,032.73	1,249,040.52	26,297,588.37
9,361,577.34	34,410,075.19	1,084,416.51	2,433,457.03	36,843,532.22
16,230,657.45	50,640,732.64	2,138,956.26	4,572,413.29	55,213,145.93
21,436,686.68	72,077,419.32	1,604,916.37	6,177,329.66	78,254,748.98
9,182,948.73	81,260,368.05	5,594,672.49	11,772,002.15	93,032,370.20
2,925,450.89	84,185,818.94	68,186.07	11,840,188.22	96,026,007.16
1,234,746.61	85,420,565.55	23,954.95	11,864,143.17	97,284,708.72
3,702,097.74	89,122,663.29	422,385.70	12,286,528.87	101,409,192.16
1,909,575.68	91,032,238.97	99,907.31	12,376,436.18	103,408,675.15
933,964.20	91,966,203.17	219,598.32	12,696,034.50	104,662,237.67
12,283,831.90	104,250,035.07	1,853,904.07	14,579,938.57	118,829,973.64
6,953,906.36	111,203,941.43	2,212,697.63	16,792,636.20	127,996,577.63
13,939,561.91	125,143,503.34	1,521,030.68	18,373,666.88	143,517,170.22
6,343,194.66	131,486,698.00	25,331.44	18,398,998.32	149,885,696.32
181,409.58	131,668,107.58	25,960.44	18,424,958.76	150,093,066.34
178,714.54	131,846,822.12	26,461.50	18,451,420.26	150,298,242.38
891,480.40	132,738,302.52	1,800.00	18,453,220.26	151,191,522.84
885,385.70	133,626,688.22	382,029.01	18,835,249.27	152,311,937.55
5,484,341.68	139,111,029.96	604,813.33	19,290,062.60	158,401,092.56
1,673,014.30	140,784,044.26	1,799,288.15	21,089,350.75	161,873,395.01
11,229,187.71	152,013,231.97	2,932,743.02	23,322,093.77	175,335,325.74
2,978,161.56	154,991,393.53	2,948,737.75	26,270,831.52	181,262,225.06
2,694,380.73	157,685,774.26	4,813,482.72	31,084,314.24	188,770,088.50
4,149,620.82	161,835,395.08	3,956,724.23	35,041,038.47	196,876,433.55
5,547,451.95	167,382,847.03	125,509.02	35,166,547.49	202,549,394.52
1,622,480.57	169,005,327.60	2,749,369.32	37,915,916.81	206,921,244.41
1,685,728.91	170,691,056.51	2,516,309.76	40,432,226.57	211,123,283.08
6,737,022.96	177,428,079.47	11,178,163.28	51,610,389.85	229,038,469.32
21,893,514.75	199,321,594.22	.....	51,610,389.85	250,931,984.07
19,853,881.74	219,175,475.96	2,961,158.44	54,571,548.29	273,747,024.25

DEFENDANTS' EXHIBIT W. GRAY.

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1. REPORT OF PRESIDENT AND DIRECTORS OF THE NORTHERN PACIFIC RAILROAD COMPANY TO THE STOCKHOLDERS SEPT. 27, 1876.

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2. ORGANIZATION.

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3. REORGANIZATION.

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4. PLAN OF REORGANIZATION.

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5. CHARTER AND CERTIFICATES OF NORTHERN PACIFIC RAILWAY COMPANY.

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6. SYNDICATE AGREEMENT.

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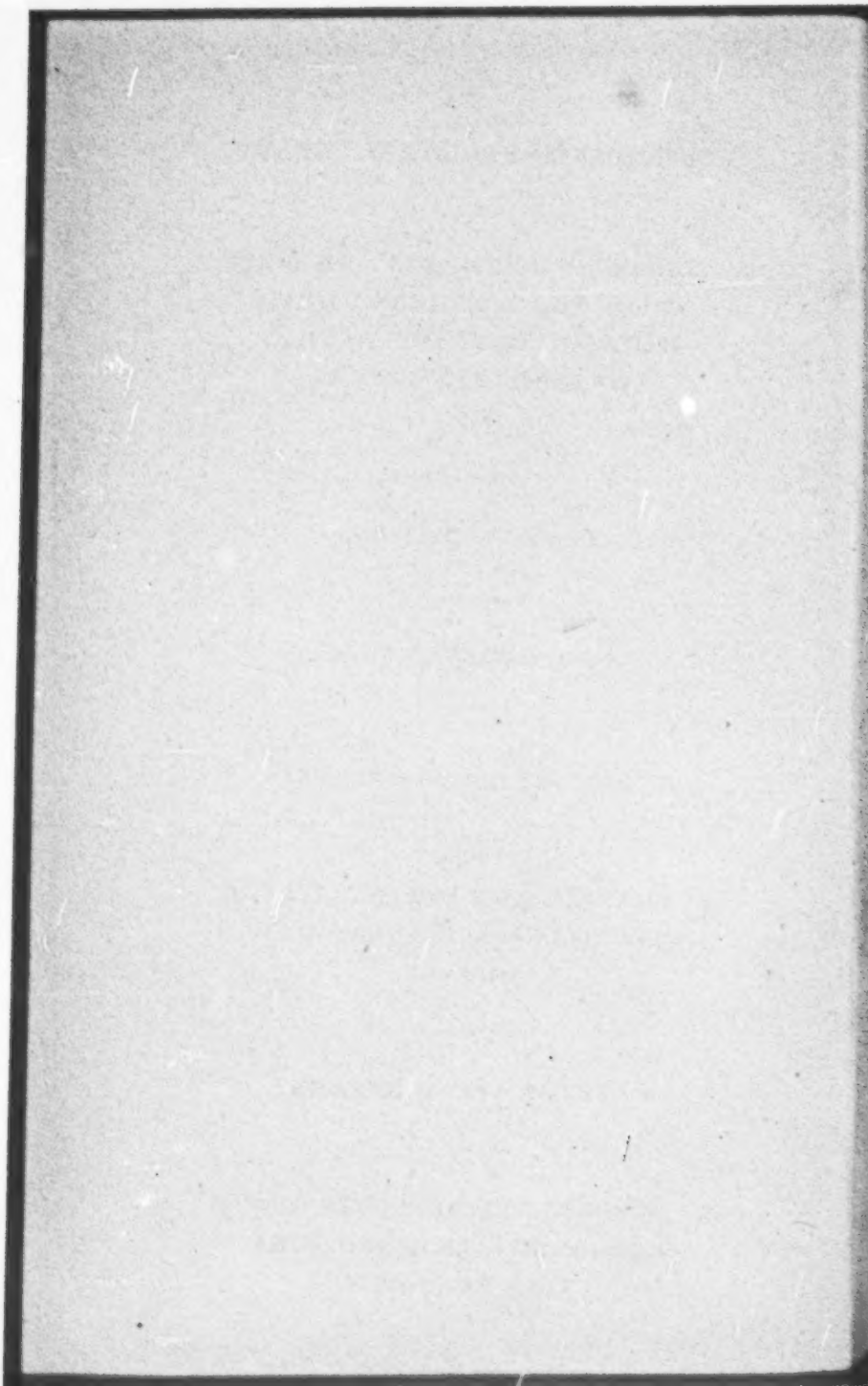
7. REPORTS AND ACCOUNTS OF J. P. MORGAN & CO. AS REORGANIZATION MANAGERS.



REPORT

OF THE

PRESIDENT AND DIRECTORS

OF THE

NORTHERN PACIFIC RAILROAD CO.

TO THE

STOCKHOLDERS,

AT THE

ANNUAL MEETING, SEPT. 27th, 1876.

DIRECTORS

OF THE

NORTHERN PACIFIC RAILROAD,

ELECTED SEPTEMBER 27TH, 1876.

CHARLES B. WRIGHT,	GEORGE W. CASS,
FREDERICK BILLINGS,	JOSEPH DILWORTH,
JOHNSTON LIVINGSTON,	J. FRAILEY SMITH,
CHARLEMAGNE TOWER,	ALEXANDER MITCHELL,
BENJAMIN P. CHENEY,	JOHN M. DENISON,
GEORGE STARK,	ALFRED E. TILTON,

RICHARD L. ASHURST.

Officers Elected by the Board:

PRESIDENT,

CHARLES B. WRIGHT.

VICE-PRESIDENT,

GEORGE STARK.

SECRETARY,	TREASURER,
SAMUEL WILKESON.	GEORGE E. BEEBE.

GENERAL COUNSEL,

GEORGE GRAY,

PRESIDENT'S REPORT.

REPORT.

To the Stockholders of the Northern Pacific Railroad Company:

The Directors submit the following Report of the condition of the Company, and the results of its management from the date of its re-organization and of their election, Sept. 29th, 1875, to the present time:

The proceedings under the foreclosure of the mortgage, by which the road and property of the Company were transferred from the Receiver to the present organization, are detailed in the report of the Purchasing Committee, made at the meeting of Sept. 29th, 1875, and in the records of that meeting published herewith.

By virtue of these proceedings, the Bondholders became the Preferred Stockholders, and owners of all the corporate franchises, and property, except its patented and certified lands in Minnesota and Dakota, on which foreclosure is in progress and nearly consummated. This ownership is complete and exclusive, except that the holders of the original Stock become, under the plan of re-organization, Common Stockholders, entitled to vote after July 1, 1878, upon a minority interest, and entitled to dividends only after eight per cent net, per annum, has been earned on the Preferred Stock.

The amount of preferred stock that may be issued under the plan of re-organization, is limited to $51,000,000; and of common stock $49,000,000. The amount of preferred stock that will be issued in the conversion of Bonds and Coupons, is about forty millions.

THE PROPERTY OF THE COMPANY.

The property in possession consists of the completed road, its equipment, and working materials, being 230 miles in Minnesota, from Fargo to Thomson Junction; and one-half interest in the track of the Lake Superior and Mississippi Railroad from Thomson Junction to Duluth, 25 miles; and 195 miles in Dakota, from Fargo to Bismarck; and 105 miles in Washington Territory, from Kalama on the Columbia River 40 miles below Portland, to Tacoma on Puget Sound. In all, 555 miles of railroad in operation.

The equipment of the road consists of 48 Locomotives, 22 Passenger cars, 34 Express, Baggage and Caboose cars, 1196 Freight cars, and the usual corresponding number of Hand and Construction cars, tools, &c.

The lands of the Company already acquired and to be acquired under the foreclosure, and by the completion of the road to Lake Superior, consist of 7,955,200 acres in Minnesota and Dakota, and 2,215,917 acres in Washington Territory; aggregating 10,171,117 acres, besides what may finally be found due to the Company in Oregon. There had been sold, to the 31st day of August last, 921,302 acres.

The Company also acquired by the foreclosure, a controlling interest in the stocks of The St. Paul & Pacific Railroad Company, the Lake Superior & Puget Sound Company, and the Tacoma Land Company. Also extensive Docks and properties in Duluth, and the leases, instruments, furniture, and general outfit of the Company.

The vast property falls into your possession unincumbered, and the reorganized Company starts with no absolute liabilities.

COLLATERALS OUTSTANDING.

There was, however, outstanding, a certain amount of the floating debt of the old company, secured by Bonds and other collaterals, coming over with the transfer, which your Board deemed it prudent to negotiate for, to prevent sacrifice of the property pledged. The total amount of this indebtedness was $633,484.96. This has since been compromised and reduced from time to time, until the whole amount now outstanding is nominally $310,866.51. Some accounts in offset, will reduce it forty or fifty thousand dollars below this sum.

These claims are not recognized as debts of this corporation; but a compromise of them became a matter of expediency, to avoid the sacrifice of collaterals, in which the Corporation was interested.

CONDITION OF EASTERN DIVISIONS.

In assuming the management of your property, and in carrying out the plan of re-organization, the Board and its Executive Officers found a task of no ordinary magnitude.

[redacted]

The profitable development of this property seems to depend upon the completion of the through line, or the immediate construction of 31 miles of the Puyallup Branch, and the development of the coal. The details of the latter are fully discussed in the Vice-President's report.

ISSUE OF STOCK.

The task of exchanging stock for bonds, among an aggregate of persons already exceeding eight thousand in number, has occupied a considerable clerical force, and required much care and attention in its supervision. The number of persons who will be on the stock list when the bonds already sent in are fully converted, is about thirteen thousand; and the account is being swelled by daily additions.

The amount of Preferred Stock issued to date, exceeds thirty-four millions, representing about twenty-five millions of the bonds. This leaves less than one-sixth of the bonds outstanding, and these are constantly coming in.

Your Directors congratulate themselves, and you, that among so large a body of shareholders, there exsists such entire unanimity and general acquiesence in the re-organization of the Company.

CONVERSION OF STOCK INTO LANDS.

The convertibility of Preferred Stock into lands of the Company, at the option of stockholders, has proved to be a very popular feature, and likely to result advantageously to all concerned. About 212,000 acres of land have been disposed of for bands or stock of the Company and these securities retired therefor, eqivalent to about $820,000 of the preferred stock.

The stockholder gets the benefit of purchasing rich lands at from three to ten dollars per acre, and paying for them in stock at par; the Company reduces its capital by the operation, and stimulates settlement and production along its line, already resulting in increased business for the road. In the Red River Valley, and along the beautiful park country lying between the Red and Mississippi Rivers, wheat farming is now carried on, upon an extensive scale, and with results so satisfactory, that the operations will be largely increased another year.

EXTENSION OF TIME.

The financial condition of the country has been such, during the past season, that no movement in extending the construction of the road, was for the time being practicable.

We have, however, made application to Congress for an extension of the time within which the construction may be completed, and a bill has passed the Senate by a large majority, granting us eight years additional time. A favorable report upon the same bill has unanimously passed the House Committee, and it now lies over as unfinished business, to be acted upon by the House, on the reassembling of Congress in December next. There is every reason to believe, that the justice of the measure, involving as it does, the value of the invested savings of 13,000 shareholders scattered throughout the country, and the military and civil necessity manifestly requiring the early establishment of direct railroad communication through the now hostile Sioux country, connecting the Lake region with Montana and Oregon, will induce Congress to give it an early and hearty approval.

MONTANA SUBSIDY.

Measures have also been taken to seek material aid from those local communities which would be largely benefited by the opening of the country. Among these, the people of the Territory of Montana have, perhaps, the most vital interest in having the road extended to them. That part of the Territory which is now settled, and where extensive gold and silver mines are already developed, in the Valley of the Upper Missouri, and its tributaries, lies 500 miles due north of the Union Pacific Road at Salt Lake, and a somewhat greater distance due west from the present terminus of our road at Bismarck. Excepting a small proportion of traffic up and down the summer navigation of the Missouri, below Benton, its business is now done by team and stage, over the five hundred miles of heavy trail, across the Rocky Mountain range, between the Union Pacific Road and Helena. The annual cost of this staging and teaming exceeds a million of dollars. The amount of gold already taken out of this Territory is estimated to be between one hundred and one hundred and fifty millions. Silver is also very abundant, and is being extensively mined.

A delegation was sent to Montana last winter, consisting of the Vice-President and Chief Engineer of this Company, to ask the Territorial Legislature, then in session, to aid us in extending the road to them. A bill was passed, granting a loan of their bonds, for thirty years, to the extent of three millions of dollars. But when submitted to the people, for ratification, it was defeated by a small majority.

Negotiations have, however, been renewed, and are now in progress, asking the Territory to vote a gratuity of their bonds to the extent of five thousand dollars per mile for the first three hundred miles constructed within their limits. Should this negotiation be successful, it is believed that arrangements can be completed for going on with the work.

LAKE SUPERIOR AND MISSISSIPPI RAILROAD.

The twenty-five miles of railroad used by this Company between Thomson Junction and Duluth, was built by the Lake Superior and Mississippi Railroad Company, and is a part of their Road from Duluth to St. Paul. The line of the Northern Pacific extends on the southerly side of Lake Superior to the easterly border of Wisconsin, at Montreal River. But to save a duplication of expenditure, its original managers contracted for the purchase of a half interest in the Lake Superior and Mississippi road, between Thomson and Duluth, agreeing to pay therefor half a million of dollars, in instalments. The greater part of these instalments remain unpaid, but are partially offset by claims for money due, under former business relations.

The Bondholders of the Lake Superior & Mississippi Road having indicated their intention to commence foreclosure proceedings under their Mortgage, it was deemed important to conclude prior arrangements for securing the permanent use of this piece of road, as well as to obtain an equitable adjustment of outstanding agreements and liabilities.

After a long and tedious negotiation, an arrangement has at length been made, by which the use of the road is secured, upon an equitable basis of payments, and all outstanding accounts placed in a satisfactory train of adjustment.

ST. PAUL AND PACIFIC RAILROAD.

The stock of the St. Paul and Pacific Road, nearly all of which comes over among the assets of the Northern Pacific represent 36 miles of railroad in operation from East St. Cloud to Melrose, and 104 miles, called the St. Vincent Extension, in partial operation from near Glyndon, down the east bank of the Red River. Also, about 60 miles of road from near St. Cloud to Brainerd, called the Brainerd Branch, which is mostly graded and ready for the rails. Also, a chartered line, not built, but on which some work has been done, being the extension of the main line from Melrose more than 100 miles westward to your road near the Red River. These lines have valuable land grants. The whole property and grant is encumbered by a heavy mortgage, and is in the hands of a Receiver. The money raised by mortgage of this property having much of it been expended for the construction of another road, grave questions of equity have arisen the solution of which may make your stock interest of value.

Negotiations are now pending with parties representing the foreign bondholders, through which we hope to secure our equitable rights, and to bring about the completion of the Brainerd Branch and the St. Vincent Extension, both of which would be valuable feeders to our main line now in operation.

LAND DEPARTMENT.

The receipts of the Land Department from Sept. 29, 1875, to August 31, 1876, were as follows:

Land Sales 211,796.57/1100 acres	$820,288.75
Deferred Payments on old contracts	24,536.42
Interest on do	3,779.62
Over Payment Acc't	1,304.33
Stumping and Timber trespass	10,886.60
Timber Culture Acc't	262.32
Town Lots, &c	978.56
Total	$862,036.60

In payment of the above there have been received:

First Mortgage Bonds	$47,300.00
Interest on same and coupons	8,147.69

Interest Land Warrant Bonds		856.00
Farmers' Loan and Trust Co. Receipts		441,366.00
Preferred Stock		333,606.78
Cash		26,451.14
And there remains due on deferred payments, Pacific Division		4,308.99
		$862,036.60
In addition to the foregoing there were sold of patented lands, for the Receiver, 14,515.39/100 acres, for		$66,297.06
Retiring First Mortgage Bonds	$55,600.00	
Interest and Coupons	10,490.16	
Interest Bonds	240.03	
		$66,330.19
Total Land Sales, from Sept. 29, 1875, to Aug. 31, 1876, 11 months,	226,311.96/100 acres,	$886,585.81
Sales previous to Sept. 29,	695,072.27/100 acres,	3,683,229.20
Grand total to Aug. 31, 1876,	921,384.23/100 acres,	4,569,815.10

Average, $4.74 per acre.

The total expenditures of the Land Department for the eleven months, (exclusive of expenses of tree culture $1,069.35 and payment on office building and fixtures at Tacoma $577.07) w[illegible] $20,379.99, about 2 1/3 per cent of total collections. Nearly one-half of this expenditure was made on account of the examination of the lands, the protection of the timber lands of the Company from trespass, and in the prosecution of adverse claims. After the 1st of November, the current expenses will not exceed $300 per month.

Taking into consideration all the circumstances that affect the question of settlement along the line, the advance in opening the country has been very satisfactory. The population within the limits of the land grant, in the Fall of 1870, east of the Missouri River, was about 4,500. It is now, at least, 30,000. At that time the area under cultivation in the same district, was but a few hundred acres. It is now some 130,000 acres.

In this connection the following statistics possess interest: The wheat crop of 1875, from lands immediately tributary to the road, was some 500,000 bushels, of which 20,000 went to Duluth, 125,000 to Manitoba, the remainder being retained for seed of 1876 and home consumption. The crop of 1875 was a full one, well up to the average of 20 bushels per acre; and the yield represented at least 25,000 acres under wheat cultivation. For 1876, the asme territory has not less than 50,000 acres in wheat; but from various causes, the crop is a light one. The best information now obtainable puts the average yield at 15 bushels per acre. This should give the road from 400,000 to 450,000 bushels for shipment to Duluth. During the summer a very large area of new ground has been broken up for wheat next year; not less than 50,000 acres. It is estimated by some at from 75,000 to 100,000 acres. An ordinary crop next year will make from 1,500,000 to 1,750,000 bushels of wheat; three-fourths of which should go to Duluth. The entire area now ready for cultivation of all crops cannot be less than 130,000 acres.

The energetic and successful opening of the large wheat farms in the Red River Valley by Messrs. Cass, Cheney, Dalrymple, Dunlop, Grandin and others, and the average yield of wheat therefrom this year, is attracting the attention of agriculturists and bringing to us a class of intelligent and well-to-do farmers, and will result in a steady development of lands tributary to the Road in Western Minnesota and Eastern Dakota, and particularly in the rich Valley of the Red River. A large carrying trade will accrue to the Road from the transportation Eastward of the surplus crops of these lands.

OPERATIVE DEPARTMENT.

The working operations of the Road show a steadily increasing business, and the expenditures are kept down to the lowest economical point. Although the past year has been the most trying one for railroads in general, since the commencement of the panic, our earnings, both gross and net, show a gratifying gain. The details of receipts and expenses are given in the report of the Treasurer hereto attached. They show the net receipts from working the Road, after paying all operating expenses on the line to Sept. 1st, to have

been $295,037.12. In addition to which the net receipts of September are estimated to exceed $30,000.

The growth of business upon the line, particularly upon the Eastern Division, promises well for the future. A large amount of farming land has been taken up, and extensively improved. The neighboring Province of Manitoba, which has its present outlet over our Minnesota Division, is receiving extensive colonies from Germany, Greenland, Iceland and other northern countries.

The business of Manitoba employs a considerable fleet of steamers, navigating the Red River between our road and Winnipeg, a Provincial city of 6,000 inhabitants, lying about 150 miles to the north of us. The population of the Province is estimated to be 36,000, and rapidly increasing.

The black Hills gold excitement produces traffic over our line through Bismarck, which is a favorite point of outfitting. The Army and Indian Agency transportation is also an important element of our business. We are now transporting much of the material for the new Forts to be erected on the Yellowstone, in addition to the regular army supplies.

The upper Missouri is navigable to Fort Benton, which as the river runs, lies more than a thousand miles westerly of Bismarck. It is the channel of summer transportation for numerous Military Posts and Agencies, and for some portion of the trade and travel of Montana. A large number of steamboats are employed in the business.

OPENING THE DAKOTA DIVISION IN WINTER.

That part of our Road lying in Dakota, between the Red River at Fargo, and the Missouri at Bismarck, has never been operated in winter. The business over it has been comparatively small, even in summer; being derived mostly from freight and travel to and from the upper Missouri, and the Military Posts and Indian agencies in Dakota, up and down the river, and from the local business of the City of Bismarck, an enterprising trading town of about one thousand inhabitants.

This Division, of about 200 miles, is almost entirely over an open prairie country, exposed to the drifting snows of winter. The snow fall is slight, rarely exceeding six inches on a level; but in the dry cold atmosphere of that locality in

winter, it is always ready to drift, and a high wind keeps it continually on the move. The unprotected cuts become filled with it, and in windy weather will refill as fast as dug out. The cost of snow fencing, and of operating, together with the small income of this part of the road, have heretofore deterred the management from keeping it open after October.

We are now asked by the War Department, in view of the military situation in the hostile Indian country, adjacent to and beyond us, to protect this Division against snow, and to run it this winter.

We have unhesitatingly acceded to this request; material has been procured and a force set at work to erect the requisite fences, and we expect to get forty or fifty miles up before winter sets in. The expense both of preparation and operation will be heavy, but we have faith that a prompt acquiescence in the wish of the Government to keep open communication with a hostile region, will not be without the ultimate reward due to a patriotic service rendered to the entire country

All of which is respectively submitted.

By order of the Board,

CHAS. B. WRIGHT,

President.

New York,

23 Fifth Avenue,

Sept. 27th, 1876.

ABSTRACT

FROM

REPORT OF THE VICE-PRESIDENT

TO THE

BOARD OF DIRECTORS,

UPON THE CONDITION OF THE

PACIFIC COAST DIVISION,

AND THE

PUYALLUP COAL FIELDS.

ABSTRACT FROM

REPORT OF THE VICE-PRESIDENT.

New York, Sept. 20, 1876.

To the Directors of the Northern Pacific Railroad Co.:

Gentlemen: I beg leave to submit the following Report upon the Pacific Division, from which I have lately returned.

Immediately after the meeting of the Board, held on the 21st of June, I went to Chicago and spent a few days with the officers of our Eastern Division in perfecting their business arrangements for the summer, and then proceeded to San Francisco, and by sea up the coast to the Straits of Fuca, and through Puget Sound to Tacoma; arriving there July 15th. The steamer on which I took passage having freight to discharge at Victoria, Port Townsend and Seattle, was two days in getting up the Sound, and I was thus afforded a favorable opportunity to study this famed water approach to our road, and to see something of the towns growing up upon it. I can best express the impression made upon me, in this approach, by quoting the words of Com. Wilkes, of the U. S. Exploring Expedition of 1842. They seem to me an eminently fit description of this magnificent inland sea. He says:

"Nothing can exceed the beauty of these waters, and their safety; not a shoal exists within the Straits of Juan de Fuca, Admiralty Inlet, Puget Sound, or Hoods Canal, that can in any way interrupt their navigation by a seventy-four gun ship. I venture nothing in saying there is no country in the world that possesses waters equal to these."

The business now done on these shores being almost wholly that of lumbering, or coal mining, the general appearance of the country is that of unbroken forest. The amount of lumer manufactured on the Sound is reported at two hundred nd fifty millions feet annually.

Victoria, in British Columbia, is at a stand still. The oly thing noticeable there, as interesting us, is a large pile of railroad iron, intended for the Canadian Pacific road.

Port Townsend is a thrifty town, and seems likely to become a place of some importance.

Seattle, twenty-five miles north of Tacoma, has been rapidly developed by its lumber and coal interests. It is also a trading center for the numerous lumber camps and small settlements on and near the shores of the Sound. Its population is estimated at 2,500 to 3,000, and the amount of building now going on, indicates a continuation of its rapid growth. There are three coal mines sending their product to this point for shipment, and they are said to produce in the aggregate, when worked, some three hundred tons per day. At the present time only one of them is in full operation. These mines lie from ten to fifteen miles back of the town, and the product is brought in at some disadvantage, over a succession of tramways and lake ferries.

From the 15th of July until the 4th of August, I devoted my time to examining the constructed Road and its business in all detail, in exploring the Puyallup Line and Coal fields, and in investigating certain affairs under the Resolution of the Board of June 21st, upon which a special report will be made. I also spent two or three days in a trip to the Dalles of the Columbia.

I found the road bed generally in good order and well ballasted. At some places slides have occurred in the cuts, and deranged the track, but in most cases these damages have been fully repaired. The iron is but little worn. There is a small surplus of rails and splices on hand for renewals. The ties are mostly sound; a few new ones will be required this year, but no great quantity. The rolling stock is kept in good condition.

The Bridges are in good repair, but were constructed of light timber, and will require renewal earlier than they ought; one has already been rebuilt. There is a large amount of trestle work on the division, much of which should hereafter be replaced by solid embankment; these trestles appear to be sound and likely to stand several years. The buildings at way stations are of little account, being small and cheaply built. The mildness of the climate is such, that little is required except shelter from rain.

At Tacoma, the depot on the wharf answers the purpose of a hotel also, for which a small rental is received.

At Kalama, the track was overflowed by the late freshet in the Columbia, the water at one time standing three feet over the rails, and a foot or two over the floors of the shops. The Superintendent estimates that it will require an outlay of $5,000 to repair the damages. The shop machinery was not damaged.

The Repair Shops are small, but sufficient for their purpose. They are well fitted with tools and machinery.

The traffic of the division is transported by one daily mixed train, each way, and seems to be efficiently and economically managed. No more force is employed than the business absolutely requires, and salaries and wages are as low as can be maintained in that country. In the month of July, when considerable extra work was going on, in consequence of damage by the flood, the total number of persons employed was 114. Of these, 60 were Chinamen at $27 per month. Chinese labor is cheap, but other service generally commands a higher price everywhere on that coast than it does here.

The business of this Division of the Road comes almost wholly from through traffic between Oregon and the settlements on Puget Sound. Even for this through business we have water competition from Portland and the competition of coal and lumber vessels bringing back supplies from San Francisco. Unless the coal field of the Company on the Puyallup should be developed, or unless Tacoma is made a point of shipment for the products of the Columbia and Willamette valleys, a subject which will be hereafter adverted to, the growth of our receipts will be slow, and dependent upon the general settlement of the country, or the completion of the through line. But yet, this part of our road is self-sustaining, and shows regularly a small monthly balance of receipts over running expenses. The gross receipts of eleven months ending Sept. first, were $102,231.94, and the expenses $66,723.57; showing a net profit of $35,508:37.

The operations of our Land Department on the Pacific Coast, are at the present time extremely quiet. The demand for lands is small, and sales of timber, when made, are necessarily at very low figures. Although a great deal of timber has been cut from the more accessible tracts along the shores, the supply yet within easy reach of water is so immense that

it will probably be a long time before the timber lands of the Company lying more than three or four miles from the shore, will be of any immediate cash value. The subject of the preservation and disposition of these lands is, however, one of great importance to this Company and the questions now arising there, as to taxation, and the perfection of titles, are becoming imperative. I would recommend that special and early attention be given to this branch of our property, and I think it worthy of consideration, whether the interests of the Company would not be promoted by placing the Pacific lands on the same footing as the lands on the Eastern Division, for conversion of Preferred Stock.

The lands of the Lake Superior & Puget Sound Co. on this coast, in which the Railroad Co. has the controlling interest, are scattered from the Columbia river to Bellingham Bay; aggregating some 27,000 acres. They seem to have sufficient present vitality to meet taxes and current expenses, and will, many of them, eventually become valuable.

For a more full explanation of the condition and value of our Pacific Coast domain, I take the liberty to quote freely from an elaborate communication lately addressed to me by a resident of Washington Territory, who has had extraordinary facilities for acquiring personal knowledge of our lands. He says:

"The agricultural lands of the Territory while generally confined to the river bottoms, are not entirely so. It is frequently found that even on the sides, and sometimes near the summit of a hill or mountain, considerable tracts of rich *beaver dam* lands exist. A noticeable instance is near the summit of the immense hill immediately in the rear of Kalama. The river bottoms of the Columbia and its confluent streams, as well as the valley of the Cowlitz, contain large tracts of lands of unexcelled fertility. About midway between Kalama and Tacoma is the Chehalis Valley, embracing, with its confluents, over two thousand square miles of the best agricultural lands in the Territory. This valley is to Washington, what the Willamette is to Oregon. It varies in width from five to fifteen miles, and extends from the base of the Cascade Range to Gray's Harbor. Large quantities of rich lands lies in the bottoms of its lower tributaries. Flowing into Puget Sound,

there are the Des Chutes, Nisqually and Puyallup Rivers, on which are some fine arable lands. These river bottoms are usually sparsely timbered with alder, vine maple, crab apple, etc., which are quickly and easily cleared, at an expense ranging from five to thirty dollars per acre; and will then yield, on an average, from forty to sixty bushels of wheat per acre. I estimate that of the lands earned by the N. P. R. R. on its 105 miles constructed in Washington, more than 250,000 acres are suitable in an eminent degree for agricultural uses. The productions of such lands have been frequently published and exhibited, and can now be seen at the Philadelphia Centennial Exhibition. The small grains are produced most abundantly, with a larger average yield than obtains in almost any other locality or section of the country, and command the highest market price at home. And so long as we have the large non-producing lumbering population, the farmers' market will be at home. These agricultural lands are more fertile, the country more healthy, the climate more congenial, and the commercial and manufacturing advantages greater than are to be found in any other unsettled portion of the United States. It is easier for a poor man to obtain a farm here than on the prairies of Minnesota, Iowa or Kansas. An absolutely poor man can go on to such lands in the Spring of the year, and, if he can buy a side of bacon, a sack of flour, an axe, and a hoe, and will work, he can make a living from the beginning. I know personally of a man who, in 1870, took a homestead of 160 acres about three miles back of Tenino. He pawned some personal apparel to procure money with which to purchase provisions for his family and a few farming tools. He has supported his family from the products of his farm, and today has a standing cash offer of $4,000, gold, for the place.

Of course, his is an isolated and exceptional instance; but the same success may be obtained by any practical farmer who will select with the same judgment and labor as industriously.

"Your grant in this Territory is essentially a timbered one, and therein lies the immense wealth to be realized by your Company in the future; but within its limits lie the only choice farm lands convenient to railroad, water navigation

and markets, in the United States, which are open to homestead and pre-emption.

"An immense amount of ignorance regarding the climate and agricultural resources of this north-west coast is rapidly being dispelled; it is pretty generally known now, that this section is never troubled with grasshoppers or other agricultural pests, that droughts are unknown, and that the climate, instead of being a second Greenland or Iceland, is really mild and pleasant. The numbers of letters of inquiry received by every prominent person and official in the Territory, shows the interest that is being awakened. Hitherto, the north-west coast, notwithstanding the attractions of its genial climate, fertile soil, and immense forests (the only considerable accessible body of timber in the United States, and which has been very properly denominated the *timber preserve* of the Continent), has been beyond the reach of the ordinary emigrant,—of the man whose wealth consists of the labor of his hands,—and only the more adventurous and energetic found the way hither. But as railways, steamships and telegraphs lessened the time for travel and communication, we have been brought practically nearer the centres of population. The influx and efflux of population at San Francisco, the entrepot for the whole coast, for the year ending Dec. 31st last, was as follows: Arrivals by sea, 38,829; departure by sea, 12,752; arrivals overland, 74,889; departures overland, 30,442. Of these departures by sea, it is estimated that between seven and eight thousand came to Oregon and Washington. This would show a total increase of population on the coast for the last year, by emigration, of about 78,000 souls, of which 66,000 remained in California, and the balance chiefly went either by sea or land to Oregon and Washington."

My examination of the Puyallup Valley and coal lands, was made with special reference to a practical look at the surveyed line for the proposed Branch, and the explored portions of the coal fields, both of which have been already reported upon to you by the scientific experts. The valley, from the mouth of the river, at Tacoma, to South Prairie, 25 miles, has an average width of about 3 miles, of rich bottom lands, bounded on either side by the abrupt slopes of a heavily timbered plateau, some hundreds of feet above. The preliminary line as located

for the Branch Road, follows the stream, and with exception of a few places, where the river washes the side bluffs, the road can be graded with ease and small cost. Much of the embankment can be thrown up from side ditches; some side hill cutting will be required, and the expense of clearing the heavy timber will be considerable; but, on the whole, it is a cheap line to build. The grades are all descending with the stream, and do not exceed, on this division, 53 feet to the mile. From South Prairie up Flett's Creek, 6 miles, to the coal openings, the line is somewhat more difficult, and the grades heavier; the maximum grade being 105 feet to the mile. It is, however, all down hill with the stream, and as the load will all be down and nothing but empty cars up, the road will be easily worked.

The Valley of the Puyallup has great agricultural capacity. That part of it not covered by the Indian Reservation is already considerably cultivated. The timber growth is mainly cedar, cottonwood, alder and vine maple. The cedars grow to 6 feet diameter and 150 feet height. The cottonwood is also of immense size. The principal agricultural crop of the valley is hops, for the production of which the soil seems peculiarly adapted. Their shipment, last year, was about 300,000 lbs., and it is expected to reach, this year, 800,000 lbs. A settler with whom I stayed over night, ten miles from Tacoma, has 42 acres in hops, a dense, luxurious growth, from which he expects to gather, this year, 2,500 lbs. per acre. He informed me that there were 145 legal voters in his precinct, but that Chinese labor was depended upon for gathering the crop, hundreds coming from Portland and elsewhere to work during the picking season. If the Branch is constructed up this valley, a large agricultural population may be expected to follow at an early day.

The terminus of the located Branch Line, 31 miles from Tacoma, is on a smooth and nearly level bottom, 800 to 1000 feet wide, at the junction of two small streams, affording a favorable place for side tracks and other terminal arrangements. This bottom, and indeed all the surrounding country, is covered with an immense growth of timber, mostly fir and cedar. The two streams running through these narrow valleys, have very steep but not precipitous banks, rising at once

about 300 feet from the stream, and then sloping back in a gradually rising plateau. In the parlance of the country, these deep valleys are called canyons. But their sides are not perpendicular, and they may more properly be designated as ravines.

The explored coal veins being nearly vertical, are cut by these ravines, and extend to the surface of the plateau, at least 300 feet in perpendicular height above the level of the railroad. Their depth below the water level is unknown. Six workable openings, at least, can be made at this point, as shown by explorations already made, and probably a continued search would develop others. But these alone would afford all the coal that could be mined for many years, without going below water level, or beyond the lands now owned or secured to the Company.

It seems to me certain that we have here an almost unlimited supply of coal, easy of access and easily worked. Prof. Sheafer's report upon its quality shows it to be very greatly stronger in fixed carbon than any other coals on the Pacific slope, some specimens being almost equal to Cumberland; yet I have reason to think that he has under-estimated its value, in consequence of taking his specimens near the surface and at the openings of the ravines. He expressed to me, verbally, his impression that no improvement would be observable on the veins if uncovered at the surface at some distance back from the ravine. That this was a mistaken impression, seems to be demonstrated by subsequent explorations on No. 1 vein, which show 8 feet of good solid coal half a mile from the ravine, while at the ravine the same vein is 13 feet wide, but has two partings of slate in it.

The statements of Prof. Sheafer in regard to the coking and blacksmithing qualities of our coal are corroborated by practical tests in the neighborhood. I saw an excellent coke that was made from it, and was told by a practical blacksmith who had used our raw coal, that it was equally good with Cumberland for the forge fire. That such is not the case with the Seattle coal, I saw demonstrated in their own shop, where they were using, when I was there, Cumberland coal for forge fires, at a reported cost of twenty-two dollars per ton.

I have made some investigation of the present coal market of the North Pacific slope, and find the following results:

The San Francisco Journal of Commerce, of January 12, 1876, in an article on the coal demand and supply, states the receipts at San Francisco for the year 1875, at 538,785 tons from the following sources:

Australian	139,164	
English	65,634	
Eastern	30,126	
Total Foreign	234,924	234,924
Vancouver Island	62,119	
Bellingham Bay	10,440	
Coos Bay	29,078	
Seattle	59,327	
Port Townsend	36	
Total from Pacific Coast	161,000	161,000
Mount Diablo	142,808	
Rocky Mountain	53	
Total from Interior	142,861	142,861
		538,785 Tons

Prices quoted to arrive at above date: Seattle, 10.50; Wellington, 10. to 10.50; Pacific Coast, 10.; Nanaimo, 10.; Coos Bay, 6.25; Mt. Diablo, 8.50; Australian and English, 8.40 to 9.; Scotch Splint, 10. to 10.50; Cumberland, 14. to 15.50; Pittston Egg, 18.; Lehigh, 22.

At Portland, I found bituminous coal selling for about eleven dollars a ton. The price of wood was from three to five dollars a cord. Very little coal is now used for domestic purposes, but I was assured by intelligent residents, that if a good coal could be furnished at about eight dollars, the consumption would soon run up to 20,000 tons per annum. The coal now used in the Portland gas works, comes from Vancouver's Island.

The present cost of shipping coal by sailing vessels, from Seattle to San Francisco, is said to be about three dollars per

ton. If their coal sells, as quoted, for 10.50, there must be a very handsome margin to cover mining and transportation.

It appears from the above statement that nearly one-half the coal now consumed at San Francisco, comes from Europe or Australia, either around Cape Horn or across the Pacific ocean. This long transportation is only made possible by the necessity for ballasting vessels coming for grain, and by the inferiority of much of the Pacific coast and interior coals heretofore used. When better home coals, like ours, are available, and in seasons when the foreign demand for grain is dull, this element of competition will be comparatively unimportant.

I think it has been satisfactorily demonstrated, by surveys and estimates, and practical examinations now completed, that an expenditure of $500,000 will build the Branch and develop the coal property of this Company, and that we have a merchantable coal of superior quality, that can be taken out with great ease, and sold at a remunerative price.

Assuming the cost of mining to be two dollars per ton, which is a large estimate, but may be none too large for the commencement,—the cost of transporting 31 miles, one dollar, —the cost of handling at Tacoma, fifty cents,—the cost of shipping, three dollars,—terminal charges, fifty cents,—and we have an aggregate cost at San Francisco, of seven dollars per ton; this cost should be reduced to six dollars; after the mines are well opened, and any considerable market established. The margin between seven dollars and the prices of last year is 3.50 per ton on Seattle, and 2.50 to 3.00 on Australian and English coals. Allowing for fluctuations of the market, it would seem entirely safe to assume the net profit at not less than one dollar per ton;—and upon this basis, a production of 50,000 tons per annum (which is less than one-tenth of the existing market, and only about one-half of the estimated production of Seattle this year), pays the interest upon the whole outlay. But if the business proves worth development, our production will not stop at 50,000 tons per annum, nor at twice that figure.

The train of incidental advantages to follow the opening of this business, becomes almost as important to us as the business itself. If a coal market can be established at Portland,

for 20,000 tons per annum, the transportation of it over the 105 miles of road now in operation should yield us at least as many net dollars.

The construction of the Puyallup Branch, and the development of the coal mines, would stimulate the growth of Tacoma, and at once make our large terminal properties productive. Numerous parties on that coast told me that, if this work was commenced, they would at once settle at Tacoma, and go into business; the population that would be thus attracted, and temporarily or permanently employed by the enterprise, would disburse very considerable additional receipts to the present line of road, and add largely to the value of the property of the Company.

I desire now to call your attention to the business situation of the Pacific Division. Although this part of our road is, in my judgment, well handled, and shows every month a small net profit, the decay of its wooden structures will soon enlarge the cost of maintenance, and require increased income to meet increased expenses. It is manifest that every means should be taken to stimulate the growth of its traffic. The great thing to accomplish, as it appears to me, is, the establishment of business enterprise at our Puget Sound terminus; not only for coal, but also to make available the great advantages of the Sound as against the Columbia River, as a shipping outlet.

Having myself gone into the Territory by way of the Sound, and come out of it by the way of the River, I am so impressed with the superiority of the former, that I believe a few enterprising and strong mercantile houses located at Tacoma would now, without any special aid from us, turn a considerable proportion of the shipments of Oregon and eastern Washington from the costly and dangerous navigation of the Columbia, to the tranquil and safe waters of the Sound. At Tacoma we are practically upon the ocean. Neither pilots nor tugs are necessary, and the heaviest vessel that floats can come to our wharf and lie safely there at low tide, without touching bottom. The broad harbor also affords safe and sheltered anchorage for a fleet of any size. On the contrary, to reach Portland, serious dangers and heavy expenses are inevitable; large ships cannot go above Astoria. In entering

and departing from the river, favorable wind and weather are essential to a safe passage of the bar, which Com. Wilkes of the U. S. Exploring Expedition, reported as impracticable for two-thirds of the year, and which, notwithstanding later surveys and improvements, is now frequently impassable for many days at a time, even for a steamer.

The last Portland Board of Trade Report, complains of discrimination of rates made against their shipping, by Marine Insurance Companies, on account of the dangers of entering and navigating the Columbia. From the same report, I learn that vessels entering the Columbia are subjected to the following charges: Surveyor's fee, $15; Pilotage and towage over the Bar, $8 per foot for first 12 feet, and $10 per foot draft above 12 feet; Towage in River, each way, $100 to $175; Pilotage up and down River from Astoria, per foot draft, $4.

The shipping business of Portland for year ending July 31. 1875, per same report, was as follows:

65 Steamships	Tonnage	76,999
53 Sails	"	24,247
83 Sales to foreign ports	"	83,252
201 Vessels. Total tons		184,498

These vessels took of the grain crop—

Wheat to foreign countries	70,488	tons
Flour to foreign countries	12,704	"
Wheat to California	1,400	"
Flour to California	7,204	"
Oats to California	8,625	"
Flour to Victoria, &c., (estimated)	2,250	"
Total	102,671	"

The River Steamers running on the Columbia and Willamette Rivers, exclusive of ocean steamships, are reported as follows:

19 Oregon Steam Navigation Co.	Tonnage	6,768
9 Oregon Steamship Co.	"	3,379
4 Willamette Transportation Co.	"	1,901
30 owned by individuals	"	3,671
62 Boats. Total tonnage		15,719

The wheat product of the Willamette Valley in 1875, was reported at about 3,000,000 bushels. The present year gives a much larger crop, and, including the heavy production of the Walla Walla and other parts of eastern Washington and Oregon, is estimated at not less than 6,000,000 bushels.

The wool crop of this year was 3,150,000 pounds.

The Salmon Fisheries of the Columbia have also assumed large mercantile proportions.

The number of Canneries in 1874 was.....	14
Other Fisheries where Salmon are salted.....	15
Total Salmon Fisheries	29

The product of which, during the year 1874, amounted in round numbers to 300,000 cases of four doz. one pound cans each, 10,000 barrels, and 5,342 half barrels—valued at $1,750,000. The product has since largely increased. The number of cases put up this year is 410,000.

Within the present season, the Oregon Steam Navigation Co. has acquired the control of the navigation of the Willamette River, and now has a fleet of about 30 steamers. The grain and wool and other products of eastern Washington and eastern and southern Oregon, brought by the boats of this Company to Portland for shipment, can with equal facility, and without materially increased expense, be delivered to our road at Kalama. The cost of transportation from Kalama to Tacoma, and shipment through Puget Sound to the open ocean, is fully offset by the costs and risks of navigating the lower Columbia, and I am unable to see any good reason why mercantile enterprise cannot today establish at Tacoma successful competition with Portland, as a place of foreign or domestic shipment. But to induce such individual enterprise to locate and prosecute business at Tacoma, something must first be done to infuse life into the place.

The building of the Puyallup Branch, for the development of our coal resources, seems now to be the one wheel which, if started, will put the whole train in motion; and I trust that ways and means to accomplish it will be devised at an early day.

All of which is respectfully submitted.

GEORGE STARK, Vice-President.

TREASURER'S REPORT.

CONDENSED GENERAL BALANCE.

Preferred Stock	$51,000,000.00	
Less issued in exchange for First Mortgage Bonds and Interest on same	34,107,429.58	$16,892,570.42
Common Stock		49,000,000.00
Receipts of Farmers' Loan and Trust Co. surrendered to the Company for the Purchase of Land		441,366.00
First Mortgage Bonds (with interest) surrendered for Preferred Stock		34,566,351.58
Bonds and Interest and Preferred Stock received on Land sold		389,910.47
Lands		20,817,001.31
Railroad, Buildings and Fences		18,923,119.50
Equipment		1,093,974.98
Shop Material, Fuel, &c. on hand		97,460.81
Steamer "Ida Stockdale"		5,147.45
Trustees of Land Stocks		735,000.00
Connecting Lines		9,010.60
Claims secured by collaterals (part cash)		156,807.95
Bills Receivable		122,225.67
Balances due, Deferred Payments on Lands, &c.		177,955.43
Surveys, Construction and Construction Material		36,711.13
Paid Lake Superior & Mississippi Railroad Co. on Railroad Junction to Duluth		35,432.46
Taxes paid		10,384.95
Insurance paid		1,458.01
Legal Expenses, Salaries, Rent, Fuel, &c., &c.		33,424.10
Miscellaneous and General Expenses		14,432.09
Balance in hands of Auditor and General Superintendent		48,697.76
Cash Balance in hands of Treasurer		8,020.40
		$143,616,463.88

New York, Sept. 20th, 1876.

GEO. E. BEEBE, *Treasurer.*

Capital Stock	$100,000,000.00
Assets acquired under Decree of Court	42,126,696.87
Land Receipts, net	804,593.38
*Net Earnings Minnesota & Dakota to July 31, 1876, and Net Earnings Pacific Division to August 31, 1876	222,819.44
Receipts of Farmers' Loan and Trust Company endorsed by Treasurer for the Purchase of Lands	458,922.00
Interest	2,557.54
Profit and Loss, (Old Debts Collected)	874,65
	$143,616,463.88

*Note.—Net Earnings as stated	$222,819.44
Add Net Earnings for Minnesota & Dakota, August	72,217.68
Add Net Earnings for Minnesota & Dakota, Sept., Estimated	29,000.00
Total for the year	$324,037.12

CASH RECEIPTS AND DISBURSEMENTS AT NEW YORK OFFICE.

FROM SEPTEMBER 30, 1875, TO AND INCLUDING SEPTEMBER 30, 1876.

Receipts.

From Receiver and Purchasing Committee	$51,406.67
" Auditor	130,530.54
" Gen. Supt.	5,763.33
" Sales of Rolling Stock	28,751.40
" Interest	2,561.61
	$219,013.55

Disbursements.

Paid Claims secured by collaterals	$153,894.23
" General Expenses	8,180.50
" Coal Explorations	2,790.00
" Certification of Lands	1,500.00
" Land Department Expenses, New York	246.75
" Land Department Expenses, Washington	1,800.00
" For Maps	268.00
" Legal Expenses	434.75
" Farmers' Loan and Trust Co	3,000.00
" Engraving and Printing Stock	2,151.40
" Postage, Envelopes and Revenue Stamps	647.45
" Subscriptions to Publications & Advertising	141.20
" Express Charges	44.60
" Rents, Repairs, Taxes and Insurance	4,908.71
" Salaries and Wages	26,603.56
" For Account Books, Printing & Stationery	1,092.07
" Fuel and Gas	464.32
" Furniture and Fixtures	22.85
" Office Expenses	144.45
" Telegraphing	25.19
Bills Receivable and Cash on hand	10,253.52
	$219,013.55

New York, Sept. 20, 1876.

GEO. E. BEEBE, *Treasurer.*

GROSS EARNINGS, OPERATING EXPENSES AND NET EARNINGS.

For the Year ending September 30th, 1876.

1875.	Gross Earnings.	Operating Expenses.	Net Earnings.
October	$106,433.24	$42,932.45	$63,500.79
November	48,445.45	28,628.22	19,817.23
December	22,338.73	24,578.33	Dr. 2,239.60
1876.			
January	24,646.68	24,100.05	546.63
February	17,899.60	24,191.04	Dr. 6,291.44
March	27,084.20	39,977.56	Dr. 12,893.36
April	84,849.85	38,728.88	46,120.97
May	79,983.93	59,434.12	20,549.81
June	86,086.25	57,592.69	28,493.56
July	110,828.29	55,329.42	55,498.87
August	131,149.29	54,226.51	76,922.78
	$739,741.51	$449,719.27	$290,026.24

Add for Hire of Cars, to July 31, 1876	5,010.88
" " Net Earnings, Sept. 1876, estimated	29,000.00
Total	$324,037.12

New York, September 20, 1876.

GEO. E. BEEBE, *Treasurer.*

REORGANIZATION
OF THE
NORTHERN PACIFIC RAILROAD COMPANY,
JUNE 30, 1875.

To the Bondholders of the Northern Pacific Railroad Company:

The undersigned, a Committee appointed at a general meeting of the bondholders of the Northern Pacific Railroad Company, held on the 18th day of March, 1875, respectfully report:

The Committee have carefully considered the matters referred to them, and after full conference with the Company's directors and officers, recommend to the bondholders the following plan as the best possible method of harmonizing all interests and insuring the early completion of the road—the vital point, to which all energies must be directed.

On the 16th day of April last, the United States Circuit Court, for the Second Judicial Circuit and Southern District of New York, appointed a Receiver of the Northern Pacific Railroad Company and all its property.

The order making this appointment was given under proceedings brought by your Trustees, in which *bona fide* holders of bonds to a large amount united. This suit was commenced, and the Receiver appointed, with the full approval of the members of your Committee.

An order has been made by the Court, which maintains the former system of selling the Company's lands, and the conversion of bonds into lands continues to be made, subject to the approval of the Receiver.

On the 12th day of May the Trustees, and the bondholders united with them, applied to the Court for a final decree, which was granted.

The wisdom of this action, when explained to your Committee at its next subsequent meeting, was apparent, and received its approval.

Under this decree, the Company's road and all its property are to be sold for the benefit of the bondholders. Your Committee feel that this benefit will be best secured by an arrangement between all parties in interest which shall satisfy every equity, avoid tedious litigation and secure the extension of the

road. This extension is indispensably necessary to restore value to your investments.

Your road *uncompleted* is wholly unremunerative, but *completed* it becomes one of the great highways of the nation. The problem must be met by you at the outset, How can capitalists be induced to invest anew in this enterprise? This is the *only* problem. That the road will pay when completed (or even extended into Montana), experience amply demonstrates.

The Union Pacific Railroad was built through an uninhabited section of the country, supposed to be almost valueless; but in the year eighteen hundred and seventy-four, and within five years after its completion, its surplus earnings amounted to $5,907,565. Seventy per cent of this amount was derived from way-traffic.

When this surprising and gratifying success of the Union Pacific Railroad, yet only partially developed, is considered, how can any one familiar with the country and its resources question the ultimate success of the Northern Pacific Railroad?

With this statement the Committee, assenting thereto themselves individually, recommend to the bondholders the immediate adoption of the plan within set forth, and respectfully request them to sign the power of attorney accompaning the same, and return it without delay to any member of the Committee, care of the Northern Pacific Railroad Company, No. 23 Fifth Avenue, New York.

A general meeting of the bondholders will be held at the office of the Northern Pacific Railroad Company, No. 23 Fifth Avenue, New York city, on the 30th day of June next, at noon, to take such further action as may seem proper to promote their interests.

New York, May 20, 1875.

JOHNSTON LIVINGSTON,
J. N. HUTCHINSON,
WM. McKNIGHT,
JOHN M. DENISON,
ABNER COBURN,
WILLIAM WINDOM,
GEORGE STARK.

Under the call in the last paragraph above, a meeting of the Bondholders was held on the 30th day of June, to which the Committee reported the Plan heretofore published. Some amendments were made to it, and certain proposed modifications of the decree of sale by the U. S. Court (in respect to preferred creditors, etc.,) which had already been asked for by the Trustees, were agreed to as satisfactory; and said modifications have since been made by the Court. The plan, as thus amended and unanimously adopted, is herewith presented. A synopsis of the Decree of Sale, as modified by the Court, is enclosed herewith.

Bondholders are now urged to sign the Plan and return *without delay*, by mail, to the Chairman of the Bondholders' Committee, JOHNSTON LIVINGSTON, No. 23 Fifth Avenue, New York.

At the proper time hereafter, bondholders will be notified to send their bonds to such Trust Company in New York as the Purchasing Committee may designate, which Trust Company will return a certificate of deposit to each bondholder, and will have the custody of the bonds, under the terms and for the purposes of this Plan, until the certificates of Preferred Stock can be issued in exchange.

At present, the essential thing to be done, is for each bondholder who concurs in the proposed Plan, to sign the same and return it to the Committee, as above.

As soon as practicable after the purchase of the property, certificates of Preferred Stock will be sent to each present Bondholder who accepts this Plan.

JOHNSTON LIVINGSTON,
J. N. HUTCHINSON,
WM. McKNIGHT,
JOHN M. DENISON,
ABNER COBURN,
WILLIAM WINDOM,
GEORGE STARK.

New York, June 30, 1875.

PLAN.

It is proposed that the following named persons, to-wit: Johnston Livingston, New York City; Frederick Billings,

Woodstock, Vermont; George Stark, Boston, Mass.; William Thaw, Pittsburgh, Pa.; J. N. Hutchinson, Philadelphia, Pa.; John M. Denison, Baltimore, Md.; shall constitute a Committee to attend the sale of the Railroad and other property of the Company, with a view to purchase the same, and take title therefor, for the benefit of all the parties assenting to and complying with the conditions of this plan; to assume the management of the Railroad and property when they shall have acquired title thereto; to attend to the issuing of bonds and stock, perfecting title, and generally to do all things that may be necessary to the complete execution of this plan, and to place the Railroad and property again under the control and management of a Board of Directors, to be elected hereafter by the preferred stockholders.

No assessment whatever shall be levied upon the bondholders; but all costs of the purchase of the Railroad and other property, expenses of foreclosure or other proceedings, shall be paid out of the assets and income of the Company.

The length of time within which the bondholders may come forward and participate in the benefits to be derived from the purchase of the Railroad and other property, shall be left to the discretion of the Purchasing Committee.

The sum of one hundred thousand dollars cash, appropriated for claims under Section *Fifth* of the decree of sale, shall be paid out *pro rata*, under the order of the Court.

In case any difficulties shall arise in carrying out this plan to consummation, the Committee shall take such measures and employ such counsel, as in their judgment will most effectually carry out this plan or its general purposes.

Any vacancy that may occur in the number of said Committee, by death, resignation or otherwise, shall be filled by the surviving or continuing members.

The Committee may act, in all cases, by a majority of their number; and in case the surviving or continuing members are unable to agree on any question, or on the filling of a vacancy, the President of the corporation shall give the casting vote.

CAPITAL STOCK.

The capital stock of the Company shall be as fixed in the Act of Incorporation, and shall be divided into *Preferred* and *Common*.

On the sale of the Railroad and the other property, and the acquisition of title thereto by the Committee above named, the present stockholders shall surrender their certificates of stock into the hands of the said Committee, to be held by them either as confirmatory evidences or muniments of title, to be used accordingly by them.

PREFERRED STOCK.

Preferred stock shall be created and issued to the amount of $51,000,000 (being a majority of the share capital) for the following purposes: to retire the principal of the outstanding 7 3-10 bonds, and the interest thereon due and to become due up to and including July 1st, 1878, at the rate of 8 per cent. currency, per annum. And also to retire the principal and interest, to and including January 1st, 1875, of the land warrant bonds; to pay the floating debt, not protected under the existing orders of the court; and, generally, for the purpose of carrying into effect this plan.

The preferred stock shall have all the rights and privileges of the common stock, with the right to vote, and the holders thereof shall be entitled to dividends, not exceeding eight per cent. per annum, as the *"net earnings"* hereinafter defined, in each calendar year, may suffice to pay, and before any dividends shall be paid on the common stock.

After and during the time the income of the road shall be sufficient to pay eight per cent. dividends on both the preferred and the common stock, the surplus shall be divided on both alike per share, according to the number of shares issued of each.

The preferred stock shall be convertible at the par value into any lands belonging to the Company, or hereafter to belong to it, east of the Missouri River in the State of Minnesota and in the Territory of Dakota, until default shall occur in some of the provisions of the new first mortgage bonds, hereinafter provided for, and such conversion shall be an extinguishment of such stock. The proceeds of all sales of such lands, until such default, shall be used likewise in extinguishment of such stock.

The words *"net earnings,"* as used above, shall be construed to mean such surplus earnings of the said railroad as shall remain, after paying all expenses of operating the said railroad

and carrying on its business, including all taxes and assessments and payments on incumbrances, and including the interest and sinking fund on the first mortgage bonds, the expenses of repairing or replacing the said railroad, its appurtenances, equipments or other property, so that the same shall be in high condition, and of providing such additional equipment as the said Company shall deem necessary for the business of said railroad.

COMMON STOCK.

Common stock shall be issued to the amount authorized by the charter, less the amount of $51,000,000 of preferred stock. The holders of the common stock shall not have the right to vote on it, until on or after July 1st, 1878. The holders of this stock shall only be entitled to dividends in each year, at the discretion of the Board of Directors, when the *net earnings*, as heretofore defined, exceed an amount sufficient to pay interest and sinking fund on the mortgage debts, and eight per cent. on the preferred stock. Certificates of this stock shall be issued to holders of, or to those now entitled to, certificates, share for share; and the residue ratably to those originally entitled thereto, or their assigns.

FIRST MORTGAGE BONDS.

To provide the means to complete and equip the road, there shall be issued First Mortgage Bonds not to exceed an average of $25,000 per mile of road actually completed and accepted by the President of the United States, to be secured by a mortgage or mortgages which shall be a first and paramount lien on the whole line of road, constructed and to be constructed, and on the equipment, property, lands and franchises, acquired and to be acquired, including the franchise to be a corporation, subject only to the right of the holders of the preferred stock to convert their stock into the lands of the Company, now owned or hereafter to be acquired east of the Missouri river, in the State of Minnesota, and Territory of Dakota, and also to the right to the proceeds of the sales of said lands, to be used in the extinguishment of said stock, until any default is made in the provisions of this mortgage. The principal of these bonds shall be payable forty years after

date, and the interest and sinking fund may be made payable in gold.

There shall be provided a sinking fund for the redemption of the principal of these first mortgage bonds, at or before their maturity, which shall be accumulative and shall commence five years after the date of the issue of each series. The first mortgage bonds shall be countersigned by one or more trust companies, and said trust company or companies shall deliver to the railroad company bonds to the amount of $25,000 per mile of each mile of road already completed, and shall continue to deliver bonds to the company, not to exceed $25,000 per mile of road constructed, or for which the materials may have been furnished.

Provision shall be made in the first mortgage or mortgages to secure effectually the holders of the bonds issued under them in the event of any and every default. No other bonds shall be issued, except on a vote of at least three-fourths of the preferred stock, at a meeting specially held in reference thereto, on a notice of at least thirty days by advertisement in two newspapers published respectively in the cities of New York, Philadelphia and Boston.

POWER OF ATTORNEY.

We, the undersigned, whether holders of bonds of the Northern Pacific Railroad Company, or of its stock, do hereby, and in consideration of one dollar to each of us in hand paid, and of the expenses heretofore incurred on our behalf in the proceedings which have been taken in the Circuit Court of the United States above recited, agree, each with the other, to the foregoing plan, and to the sale to be consummated under the decree in said proceedings, and do hereby make, constitute and appoint the said Johnston Livingston, New York City; Frederick Billings, Woodstock, Vermont; George Stark, Boston, Mass.; J. K. Moorhead,* Pittsburgh, Penna.; J. N. Hutchinson, Philadelphia, Penna., and Jno. M. Denison, Baltimore, Md., their successor or successors, our true and lawful attorneys for us and each of us, and in our name, place and stead to carry out the above plan in their best discretion, giving and granting unto our said attorneys full and

*Elected in place of William Thaw, resigned.

absolute power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done to carry out the foregoing plan, including the power to vote for us, and each of us, at any meeting of bondholders, and in and about the premises, as fully and to all intents and purposes as we might or could do if personally present; with full power of substitution and revocation, hereby ratifying and confirming all that our said attorneys or their substitutes shall lawfully do or cause to be done, by virtue hereof; hereby revoking any and all powers of attorney or authorizations in the premises which we may have heretofore given to any person or persons whatsoever; *provided*, that the undersigned do not assume or incur, nor authorize their said attorneys to assume or incur for them, any liability whatever for the payment of money.

REPORT

MADE BY

THE PURCHASING COMMITTEE,

SEPTEMBER 29, 1875.

FIRST MEETING OF PREFERRED STOCKHOLDERS

AND

REPORT OF PURCHASING COMMITTEE,

SEPTEMBER 29TH, 1875.

Meeting of the Preferred Stockholders of the Northern Pacific Railroad Company, held pursuant to advertised notice, on the 29th day of September, 1875.

[ABSTRACT FROM THE RECORDS.]

There were present at this meeting, Messrs. Johnston Livingston, Frederick Billings, George Stark, James K. Moorhead, John N. Hutchinson, and John M. Denison, the Committee appointed by the Bondholders of the Northern Pacific Railroad Company, to purchase the same and all its property and franchises, under the "Plan" adopted June 30th, 1875, and others associated with them as such Preferred Stockholders, by having as Bondholders, assented to and complied with the Plan.

Mr. Johnston Livingston called the meeting to order.

Mr. Joseph Dilworth, of Pittsburg, Penn., was elected Chairman of the meeting.

Mr. D. E. Small, of York, Penn., was elected Secretary.

The Secretary read the call for the meeting in the following words:

To the Bondholders of the Northern Pacific Railroad Company:

On the 12th instant, the undersigned, your Committee, purchased at judicial sale under the decree of the Circuit Court of the United states for the Southern District of New York, all the property of the Northern Pacific Railroad Company (except the patented and the certified lands), together with all its rights, liberties and franchises, including the franchise to be a

corporation, as described in the decree; which sale was, on the 25th day of August instant, confirmed by the Court.

Upon the execution and delivery to us of the deeds of the property and franchises so purchased, under said sale and confirmation, we became the body politic and corporate known as the Northern Pacific Railroad Company, and in that name we and our associates will be clothed with all the powers, rights, liberties and franchises of said corporation, including the franchise to be a corporation.

Now, in order to accomplish the purpose of our appointment and of the "plan" adopted by the Bondholders on the 30th day of June, 1875, you, who have, or then shall have, surrendered your bonds in payment for Preferred Stock, are hereby notified to meet, in person or by proxy, at the office of the Company, No. 23 Fifth Avenue, in the City of New York, on Wednesday, the 29th day of September, 1875, at 12 o'clock noon, to elect a Board of Directors to serve for such time as the by-laws you may then approve shall provide; and to transact any other appropriate business.

Holders of receipts of the Farmers' Loan and Trust Company of New York, for surrendered bonds, will, *on production of such receipts,* be entitled to vote in person or by proxy at said meeting, and until formal certificates of preferred stock are issued.

Holders of common stock have not the right to vote until on and after July 1st, 1878.

Signed by the Committee, and Attested by the Secretary of the N. P. R. R.

New York, No. 23 Fifth Avenue,
August 27th, 1875.

The Secretary then read an affidavit that the above call had been duly published.

Mr. Stark presented and read the following Report of the Purchasing Committee to the Stockholders:

To the Stockholders of the Northern Pacific Railroad Company:

The undersigned, a Committee chosen by the Bondholders of the Company at their general meeting, held in the city of New York, on the 30th day of June last, "to attend the sale of the railroad and other property of the Company, with a view to purchase the same, and take title therefor, for the

benefit of all the parties assenting to, and complying with the conditions of the plan of re-organization; to assume the management of the railroad and property when they shall have acquired title thereto; to attend to the issuing of bonds and stock, perfecting title, and generally to do all things necessary for the complete execution of the plan, and to place the railroad and property again under the control and management of a Board of Directors, to be elected hereafter by the Preferred Stockholders," having attended to the duties assigned to them, beg leave to report their proceedings to date.

The foreclosure of your Mortgage was initiated on the 16th of April last, in the United States Circuit Court, and a Receiver was thereupon appointed; and in conformity to subsequent decrees of the Court, "all the property of the Northern Pacific Railroad Company (except the patented and certified lands) together with all its rights, liberties and franchises, including the franchise to be a corporation," was put up at auction, on the 12th day of August last, and was purchased by us for the sum of one hundred thousand dollars, and on the 25th day of August last, the sale was confirmed by the Court. The preparation of the deeds of the property and franchise so purchased, and the papers incident thereto, under such sale and confirmation, has been attended to with great care, under the advice of experienced counsel, and their final execution has been delayed until now. We have this morning come into full possession of the property purchased on your behalf, and we propose to immediately place it under the control and management of the Directors you are assembled to elect.

The patented and certified lands of the Company remaining unsold, amount to about six hundred thousand acres, all in Minnesota and Dakota. Their sale is postponed to such future day as the Court may hereafter order. The decree for their sale provides that five per cent of their purchase money shall be paid in cash, and the balance may be paid in the First Mortgage Bonds of this Company. To enable us to act efficiently in your behalf when such sale shall occur, and for the purpose of securing to the Bondholders in general the full benefit of the entire property of the Company under

the foreclosure, the Committee, acting under the advice of counsel, has caused the surrendered Bonds to remain in the hands of the Farmers' Loan and Trust Company, subject to the control of the Committee, for such further use as the interests of the Bondholders may demand.

In compliance with our "Call," issued on the 12th of August last, bonds have been deposited with the Farmers' Loan and Trust Company for exchange into Preferred Stock, and for otherwise carrying on the objects of the Plan of re-organization, amounting to this date, to about twenty millions of dollars. Large daily additions are being made, and we have assurance and reason to expect, that nearly all will eventually come in. No time has yet been fixed limiting their reception. The Committee feel inclined to make the time ample for all reasonable emergencies, but would advise holders to send in their Bonds at the earliest practicable time.

The Powers of Attorney received by, and authorizing the Committee to carry out the "Plan" of re-organization, foot up about twenty-six millions of dollars, or more than five-sixths of the whole, and large additions are being made daily. Without doubt, the balance will come forward, as little or no cash dividend can be expected by any who may stand out.

In transferring the Railroad properties acquired, to the management of your Directors, we take occasion to congratulate you upon the rapid success with which we have been enabled to carry out thus far the purposes of our appointment, and to thank you for the confidence you have shown in us by promptly responding to our calls for your Powers of Attorney and the surrender of your Bonds. It augurs well for the ultimate success of your magnificent enterprise, that your confidence and unanimity have enabled a mortgage of thirty millions to be substantially foreclosed, and a re-organization completed, in less than six months from the initiatory step, without any of the usual attendant and consequent litigation.

You have now 550 miles of road in paying operation, substantially free from debt, and an attaching domain of nearly ten million acres of land. With this immense extent of unencumbered property as a basis for future operations, and the twenty-five thousand and odd acres to be added for every mile of new road built, there ought to be little doubt of your ability

to secure means for the early resumption of work in the extension and completion of the Road.

New York, September 29th, 1875.

Signed by the Committee.

On motion of Mr. Lewis, the report of the Purchasing Committee was accepted and ordered to be placed on the minutes of the meeting.

A body of By-Laws which had been adopted by the Purchasing Committee, for the government of the Northern Pacific Railroad Company, was presented and read to the meeting.

On motion of Mr. Tower, it was resolved that the meeting approve the action of the Purchasing Committee in adopting the By-Laws.

On motion of Mr. Thaw, Francis Jordan, of Harrisburg, Penn., James B. Williams, of Stamford, Conn., and Joseph D. Potts, of Pittsburg, Penn., were chosen inspectors of the election for Directors this day to be held.

The polls were ordered to be kept open for three hours.

A recess was ordered, to enable the Inspectors to assort and count the ballots. Sept. 30, 1875, 10 o'clock, A. M.

The recess having expired, the stockholders re-assembled in meeting.

The Inspectors of election reported—that the voting at said election was by ballot, one vote for each share of said Preferred Stock,—that the whole number of votes cast by said Preferred Stockholders, was one hundred and eleven thousand two hundred and fifty-two, and that the following named gentlemen, stockholders in the Corporation and duly qualified, were elected Directors of the Northern Pacific Railroad Company, viz:

EDWIN M. LEWIS,	GEORGE W. CASS,
JOHNSTON LIVINGSTON,	CHAS. B. WRIGHT,
J. K. MOORHEAD,	JOSEPH DILWORTH,
JOHN N. HUTCHINSON,	B. P. CHENEY,
GEORGE STARK,	CHARLEMAGNE TOWER,
JOHN M. DENISON,	FREDERICK BILLINGS,

J. FRAILEY SMITH.

The report of the Inspectors was accepted and adopted, the Directors were duly notified of their election, and the meeting adjourned *sine die*.

ORGANIZATION.

TRUSTEES FOR THE FIRST MORTGAGE BONDHOLDERS,

JAY COOKE,

J. EDGAR THOMSON.

OFFICERS OF THE NORTHERN PACIFIC RAILROAD COMPANY:

J. GREGORY SMITH, President.....
R. D. Rice, Vice- President.....
SAMUEL WILKESON, Secretary.....
A. H. BARNEY, Treasurer.....
W. MILNOR ROBERTS, Engineer-in-chief...
EDWIN F. JOHNSON, Consulting Engineer.

} 120 Broadway, New York.

BOARD OF DIRECTORS:

J. GREGORY SMITH	St. Albans, Vt.
R. D. RICE	Augusta, Maine.
THOMAS H. CANFIELD	Burlington, Vt.
WM. B. OGDEN	Chicago, Ill.
WM. G. MOORHEAD	Philadelphia, Penn.
WM. G. FARGO	Buffalo, N. Y.
B. P. CHENEY	Boston, Mass.
GEO. W. CASS	Pittsburg, Penn.
FREDERICK BILLINGS	Woodstock, Vt.
WILLIAM WINDOM	Winona, Minn.
JAMES STINSON	Chicago, Ill.
SAMUEL M. FELTON	Philadelphia, Penn.
CHARLES B. WRIGHT	Philadelphia, Penn.

SECRETARY:

SAMUEL WILKESON.

EXECUTIVE COMMITTEE:

J. GREGORY SMITH,	WILLIAM G. FARGO,
R. D. RICE,	WILLIAM WINDOM,
WILLIAM B. OGDEN,	S. M. FELTON,
GEORGE W. CASS,	CHARLES B. WRIGHT.

FINANCIAL AGENTS FOR THE RAILROAD COMPANY:

JAY COOKE & CO., Philadelphia.

CONGRESSIONAL.

The Act incorporating the "Northern Pacific Railroad Company" was reported to the House of Representatives of the United States, at the first session of the Thirty-eighth Congress, by the Select Committee on the Pacific Railroad, which consisted of the following named members:

THADDEUS STEVENS, of Pennsylvania, Chairman.
A. CUTLER WILDER, of Kansas.
J. B. STEELE, of New York.
HIRAM PRICE, of Iowa.
CORNELIUS COLE, of California.
WARREN P. NOBLE, of Ohio.
IGNATIUS DONNELLY, of Minnesota.
JOHN R. McBRIDE, of Oregon.
WILLIAM G. STEELE, of New Jersey.
JOSEPH W. McCLURG, of Missouri.
OAKES AMES, of Massachusetts.
GEORGE H. YEAMAN, of Kentucky.
LORENZO D. M. SWEAT, of Maine.

In the Senate the bill was referred to the Committee on Public Lands, consisting of

JAMES HARLAN, of Iowa, Chairman.
S. C. POMEROY, of Kansas.
SOLOMON FOOT, of Vermont.
B. F. HARDING, of Oregon.
JOHN S. CARLISLE, of Virginia.
J. A. HENDRICKS, of Indiana.
W. WRIGHT, of New Jersey.

Who reported the same to the Senate, and it was finally passed by a unanimous vote.

THE CHARTER.

AN ACT

GRANTING LANDS TO AID IN THE CONSTRUCTION OF A RAILROAD AND TELEGRAPH LINE FROM LAKE SUPERIOR TO PUGET SOUND, ON THE PACIFIC COAST, BY THE NORTHERN ROUTE.

Be it enacted by the Senate and House of Representatives of the United States of America, in Congress assembled:

That Richard D. Rice, John A. Poore, Samuel P. Strickland, Samuel C. Fessenden, Charles P. Kimball, Augustine Haines, Edwin R. W. Wiggin, Anson P. Morrill, Samuel J. Anderson, of Maine; Willard Sears, J. S. Withington, Josiah Perham, James M. Becket, A. W. Banfield, Abiel Abbott, John Newell, Austin L. Rogers, Nathaniel Green, Jr., Oliver Frost, John A. Bass, John O. Presbrey, George Shiverick, Edward Tyler, Philander J. Forristall, Ivory H. Pope, of Massachusetts; George Opdyke, Fairley Holmes, John Huggins, Phinlander Reed, George Briggs, Chauncey Vibbard, John C. Fremont, of New York; Ephraim Marsh, John P. Jackson, Jr., of New Jersey; S. M. Felton, John Toy, O. J. Dickey, B. F. Archer, G. W. Cass, J. Edgar Thompson, John A. Green, of Pennsylvania; T. M. Allyn, Moses W. Wilson, Horace Whittaker, Ira Bliss, of Connecticut; Joseph A. Gilmore, Onslow Stearns, E. P. Emerson, Frederick Smith, William E. Chandler, of New Hampshire; Cyrus Aldrich, H. M. Rice, John McKusick, H. C. Waite, Stephen Miller, of Minnesota; E. A. Chipin, John Gregory Smith, George Merril, of Vermont; James Y. Smith, William S. Slater, Isaac H. Southwick, Earl P. Mason, of Rhode Island; Seth Fuller; William Kellogg, U. S. Grant, William B. Ogden, William G. Greene, Leonard Sweat, Henry W. Blodgett, Porter Sheldon, of Illinois; J. M. Winchell, Elsworth Cheesebrough, James S. Emery, of Kansas; Richard F. Perkins, Richard Chenery, Samuel Brannan, George Bowland, Henry Platt, of California; William F. Mercer, James W. Brownley, of Virginia; John H. B. Latrobe, W. Prescott Smith, of Maryland; Greenbury Slack, A. J. Boreman, of West Virginia; Thomas E. Bramlette, Frank Shorin, of Kentucky; John Crough, John A. Bingham, Oran Follett, John Gardner, S. S. L. Hommedieu, Harrison G. Blake, Philo Chamberlin, of Ohio; John A. Duncan, Samuel M. Har-

rington, of Delaware; Thomas A. Morris, Jesse L. Williams, of Indiana; Samuel L. Case, Henry S. Hall, David H. Jerome, Thomas D. Gilbert, C. A. Trowbridge, of Michigan; Edward H. Broadhead, Alexander Mitchell, Benjamin Ferguson, Levi Steeling, of Wisconsin; J. C. Ainsworth, Orlando Humason, H. W. Corbett, Henry Failing, of Oregon; J. B. S. Todd, M. K. Armstrong, J. Shaw Gregory, J. L. Berge, of Dakota Territory; John Mullen, Anson G. Henry, S. D. Smith, Charles Terry, of Washington Territory; H. W. Starr, Platt Smith, Nixon Denton, William Leighton, B. F. Allen, Reuben Noble, John S. Davies, of Iowa; Willard P. Hall, George R. Smith, N. Gayle Ring, John C. Sargeant, of Missouri; William H. Wallace, of Idaho Territory; J. H. Lathrop, Henry D. Cooke, H. E. Merrick, of the District of Columbia, and all such other persons who shall, or may be associated with them, and their successors, are hereby created and erected into a body corporate and politic, in deed and in law, by the name, style, and title of the "Northern Pacific Railroad Company," and by that name shall have perpetual succession, and shall be able to sue and to be sued, plead and be impleaded, defend and be defended, in all courts of law and equity within the United States, and may make and have a common seal. And said Corporation is hereby authorized and empowered to lay out, locate, construct, furnish, maintain, and enjoy a continuous railroad and telegraph line, with the appurtenances, namely, beginning at a point on Lake Superior in the State of Minnesota or Wisconsin; thence westerly by the most eligible railroad route, as shall be determined by said company, within the territory of the United States, on a line north of the forty-fifth degree of latitude, to some point on Puget Sound,* with a branch,† via the valley of the Columbia River, to a point at or near Portland, in the State of Oregon, leaving the main trunk line at the most suitable place, not more than three hundred miles from its western terminus; and is hereby vested with all the powers, privileges and immunities necessary to carry into effect the purposes of this Act as herein set forth. The capital stock of said company shall consist of one million shares of one hundred dollars each, which shall in all respects be

* "Puget Sound" construed to mean all waters connected with straits of Fuca by Act of March 1st, 1869.

† Portland Branch extended to Puget Sound April 13th, 1869.

deemed personal property, and shall be transferable in such manner as the by-laws of said corporation shall provide. The persons hereinbefore named are hereby appointed commissioners, and shall be called the Board of Commissioners of the "Northern Pacific Railroad Company," and fifteen shall constitute a quorum for the transaction of business. The first meeting of said Board of Commissioners shall be held at the Melodeon Hall, in the city of Boston, at such time as any five commissioners herein named from Massachusetts shall appoint, not more than three months after the passage of this Act, notice of which shall be given by them to the other commissioners, by publishing said notice in at least one daily newspaper in the cities of Boston, New York, Philadelphia, Cincinnati, Milwaukee and Chicago, once a week, at least four weeks previous to the day of meeting. Said board shall organize by the choice from its number, of a President, Vice-President, Secretary and Treasurer, and they shall require from said Treasurer such bonds as may be deemed proper, and may from time to time increase the amount thereof as they may deem proper. The Secretary shall be sworn to the faithful performance of his duties, and such oath shall be entered upon the records of the company, signed by him, and the oath verified thereon. The President and Secretary of said board shall, in like manner, call all other meetings, naming the time and place thereof. It shall be the duty of said Board of Commissioners to open books or cause books to be opened, at such times and in such principal cities or other places in the United States as they or a quorum of them shall determine, within six months after the passage of this Act, to receive subscriptions to the capital stock of said corporation, and a cash payment of ten per centum on all subscriptions, and to receipt therefor; so soon as twenty thousand shares shall in good faith be subscribed for, and ten dollars per share actually paid into the treasury of the company, the said President and Secretary of said Board of Commissioners shall appoint a time and place for the first meeting of the subscribers to the stock of said company, and shall give notice thereof in at least one newspaper in each State in which subscription books have been opened, at least fifteen days previous to the day of meeting, and such subscribers as shall attend the meeting so called, either in person or by lawful

proxy, then and there shall elect, by ballot, thirteen directors for said corporation; and in such election each share of said capital stock shall entitle the owner thereof to one vote. The president and Secretary of the Board of Commissioners, and, in case of their absence, or inability, any two of the officers of said board, shall act as inspectors of said election, and shall certify under their hands the names of the directors elected at said meeting, and the said Commissioners, Treasurer and Secretary, shall then deliver over to said directors, all the properties, subscription books, and other books in their possession, and thereupon the duties of said commissioners and the officers, previously appointed by them, shall cease and determine forever, and thereafter the stockholders shall constitute said body politic and corporate. Annual meetings of the stockholders of said corporation for the choice of officers (when they are to be chosen) and for the transaction of business, shall be holden at such time and place, and upon such notice as may be prescribed in the By-Laws.

SECTION 2. *And be it further enacted,* That the right of way through the public lands be, and the same is hereby, granted to said "Northern Pacific Railroad Company," its successors and assigns, for the construction of a railroad and telegraph as proposed; and the right, power and authority is hereby given to said corporation to take from the public lands adjacent to the line of said road material of earth, stone, timber and so forth, for the construction hereof; said way is granted to said railroad to the extent of two hundred feet in width on each side of said railroad, where it may pass through the public domain, including all necessary ground for station buildings, workshops, depots, machine shops, switches, side tracks, turn-tables, and water stations; and the right of way shall be exempt from taxations within the Territories of the United States. The United States shall extinguish, as rapidly as may be consistent with public policy and the welfare of the said Indians, the Indian titles to all lands falling under the operations of this Act, and acquired in the donation to the (road) named in this bill.

SECTION 3. *And be it further enacted,* That there be, and hereby is, granted to the "Northern Pacific Railroad Company" its successors and assigns, for the purpose of aiding in the construction of said railroad and telegraph line to the Pacific

coast, and secure the safe and speedy transportation of the mails, troops, munitions of war, and public stores, over the route of said line of railway, every alternate section of public land, not mineral, designated by odd numbers, to the amount of twenty alternate sections per mile, on each side of said railroad line, as said company may adopt, through the territories of the United States, and ten alternate sections of land per mile on each side of said railroad, whenever it passes through any State, and whenever, on the line thereof, the United States have full title, not reserved, sold, granted or otherwise appropriated, and free from pre-emption, or other claims or rights, at the time the line of said road is definitely fixed, and a plat thereof filed in the office of the Commissioner of the General Land Office; and whenever, prior to said time, any of said sections or parts of sections, shall have been granted, sold, reserved, occupied by homestead settlers, or pre-empted or otherwise disposed of, other lands shall be selected by said company in lieu thereof, under the direction of the Secretary of the Interior, in alternate sections, and designated by odd numbers, not more than ten miles beyond the limits of said alternate sections: *Provided,* That if the said route shall be found upon the line of any other railroad route, to aid in the construction of which lands have been heretofore granted by the United States as far as the routes are upon the same general line, the amount of land heretofore granted shall be deducted from the amount granted by this act: *Provided further,* That the railroad company receiving the previous grant of land may assign their interest to said "Northern Pacific Railroad Company," or may consolidate, confederate and associate with said company upon the terms named in the first section of this act: *Provided further,* That all mineral lands be, and the same are hereby, excluded from the operations of this act, and in lieu thereof a like quantity of unoccupied and unappropriated and agricultural lands in odd numbered sections nearest to the line of said road, and within fifty miles thereof, may be selected as above provided: *And Provided, further,* That the word "mineral," where it occurs in this Act, shall not be held to include iron or coal: *And Provided, further,* That no money shall be drawn from the Treasury of the United States to aid in the construction of said "Northern Pacific Railroad."

SECTION 4. *And be it further enacted,* That whenever said "Northern Pacific Railroad Company" shall have twenty-five consecutive miles of any portion of said railroad and telegraph line ready for the service contemplated, the President of the United States shall appoint three commissioners to examine the same, and if it shall appear that twenty-five consecutive miles of said road and telegraph line have been completed in a good, substantial and workmanlike manner, as in all other respects required by this Act, the commissioners shall so report to the President of the United States, and patents of lands, as aforesaid, shall be issued to said company, confirming to said company the right and title to said lands situated opposite to and conterminus with said completed section of said road; and from time to time, whenever twenty-five additional consecutive miles shall have been constructed, completed, and in readiness as aforesaid, and verified by said commissioners to the President of the United States, then patents shall be issued to said company conveying the additional sections of land as aforesaid, and so on as fast as every twenty-five miles of said road is completed as aforesaid: *Provided,* That no more than ten sections of land per mile, as said road shall be completed, shall be conveyed to said company, for all that part of said railroad lying east of the western boundary of the State of Minnesota, until the whole of said railroad shall be finished and in good running order, as a first-class railroad, from the place of beginning on Lake Superior to the western boundary of Minnesota: *Provided, also,* That lands shall not be granted under the provisions of this Act on account of any railroad or part thereof, construed at the date of the passage of this Act.

SECTION 5. *And be it further enacted,* That said Northern Pacific Railroad shall be constructed in a substantial and workmanlike manner, with all the necessary draws, culverts, bridges, viaducts, crossings, turn-outs, stations and watering places, and all other appurtenances, including furniture and rolling stock, equal, in all respects, to railroads of the first class when prepared for business, with rails of the best quality, manufactured from American iron. And a uniform gauge shall be established throughout the entire length of the road. And there shall be constructed a telegraph line of the most substantial and approved description, to be operated along the entire

line: *Provided,* That the said company shall not charge the government higher rates than they do individuals for like transportation and telegraphic service. And it shall be the duty of the "Northern Pacific Railroad Company" to permit any other railroad, which shall be authorized to be built by the United States or by the Legislature of any Territory or State in which the same may be situated, to form running connections with it on fair and equitable terms.

SECTION 6. *And be it further enacted,* That the President of the United States shall cause the lands to be surveyed for forty miles in width on both sides of the entire line of said road, after the general route shall be fixed, and as fast as may be required by the construction of said railroad; and the odd sections of land hereby granted shall not be liable to sale, or entry, or pre-emption, before or after they are surveyed, except by said company, as provided in this Act; but the provisions of the act of September, eighteen hundred and forty-one, granting pre-emption rights, and the acts amendatory thereof, and of the act entitled "An Act to secure homesteads to actual settlers on public domain," approved May twenty, eighteen hundred and sixty-two, shall be, and the same are hereby, extended to all other lands on the line of said road when surveyed, excepting those hereby granted to said company; and the reserved alternate sections shall not be sold by the Government at a price less than two dollars and fifty cents per acre, when offered for sale.

SECTION 7. *And be it further enacted,* That the said "Northern Pacific Railroad Company" be, and is hereby authorized and empowered to enter upon, purchase, take, and hold any lands or premises that may be necessary and proper for the construction and working of said road, not exceeding in width two hundred feet on each side of the line of its railroad, unless a greater width be required for the purpose of excavation, or embankments; and also any lands or premises that may be necessary and proper for turn-outs, standing places for cars, depots, station houses, or any other structures required in the construction and working of said road. And the said company shall have the right to cut and remove trees and other material that might, by falling, encumber its road-bed, though standing, or being more than two hundred feet from the line of said road.

And in case the owners of such lands or premises and the said company cannot agree as to the value of the premises taken or to be taken, for the use of said road, the value thereof shall be determined by the appraisal of three disinterested commissioners, who may be appointed upon application by either party, to any court of record in any of the Territories in which the lands or premises taken lie; and said commissioners, in their assessment of damages, shall appraise such premises at what would have been the value thereof if the road had not been built. And upon return into court of such appraisement, and upon the payment into the same of the estimated value of the premises taken for the use and benefit of the owner thereof, said premises shall be deemed to be taken by said company, which shall thereby acquire full title to the same for the purposes aforesaid. And either party feeling aggrieved at said appraisement may, within thirty days after the same has been returned into court, file an appeal therefrom, and demand a jury of twelve men to estimate the damage sustained; but such appeal shall not interfere with the rights of said company to enter upon the premises taken, or to do any act necessary and proper in the construction of its road. And said party appealing shall give bonds, with sufficient surety or sureties, for the payment of any cost that may arise upon such appeal; and in case the party appealing does not obtain a verdict, increasing or diminishing, as the case may be, the award of the commissioners, such parties shall pay the whole cost incurred by the appellee, as well as his own, and the payment into court for the use of the owner of said premises taken, of a sum equal to that finally awarded, shall be held to vest in said company the title of said land, and of the right to use and occupy the same for the construction, maintenance and operation of said road. And in case any of the lands to be taken, as aforesaid, shall be held by any infant, feme covert, non compos, insane person or persons residing without the Territory within which the lands to be taken lie, or persons subjected to any legal disability, the court may appoint a guardian for any party under any disqualification, to appear in proper person, who shall give bonds with sufficient surety or sureties, for the proper and faithful execution of his trust, and who may represent in court the person disqualified, as aforesaid, from appearing, when the same

proceedings shall be had in reference to the appraisement of the premises to be taken for the use of said company, and with the same effect as has been already described; and the title of the company to the lands taken by virtue of this Act, shall not be affected or impaired by reason of any failure by any guardian to discharge faithfully his trust. And in case any party shall have a right or claim to any land for a term of ten years, or any interest therein, in possession, reversion, or remainder, the value of any such estate, less than a fee simple, shall be estimated and determined in the manner hereinbefore set forth. And in case it shall be necessary for the company to enter upon any lands which are unoccupied, and of which there is no apparent owner or claimant, it may proceed to take and use the same for the purposes of said railroad, and may institute proceedings, in manner described, for the purpose of ascertaining the value of, and of acquiring a title to, the same; but the judge of the court hearing said suit shall determine the kind of notice to be served on such owner or owners, and he may in his discretion, appoint an agent or guardian to represent such owner or owners in case of his or their incapacity or non-appearance. But in case no claimant shall appear within six years from the time of the opening of said road across said land, all claims to damages against said company shall be barred.

*SECTION 8. *And be it further enacted,* That each and every grant, right and privilege herein are so made and given to, and accepted by, said Northern Pacific Railroad Company, upon and subject to the following conditions, namely: That the said company shall commence the work on said road within two years from the approval of this Act by the President, and shall complete not less than fifty miles per year, after the second year, and shall construct, equip, furnish and complete the whole road by the fourth day of July, Anno Domini, eighteen hundred and seventy-six.

SECTION 9. *And be it further enacted,* That the United States make the several conditional grants herein, and that the said Northern Pacific Railroad Company accept the same upon the further conditions that if the said company make any breach of the conditions hereof, and allow the same to continue for

*Amended May 7th, 1866, and July 1st, 1868.

upwards of one year, then, in such case, at any time hereafter, the United States, by its Congress, may do any and all acts and things which may be needful and necessary to insure a speedy completion of the said road.

SECTION 10. *And be it further enacted,* That all people of the United States shall have the right to subscribe to the stock of the Northern Pacific Railroad Company until the whole capital named in this Act of Incorporation is taken up, by complying with the terms of subscription; and no mortgage or construction bonds shall ever be issued by said company on said road, or mortgage or lien made in any way, except by the consent of the Congress of the United States.

SECTION 11. *And be it further enacted,* That said Northern Pacific Railroad, or any part thereof, shall be a post-route and a military road, subject to the use of the United States for postal, military, naval and all other Government service, and also subject to such regulations as Congress may impose restricting the charges for such Government transportation.

SECTION 12. *And be it further enacted,* That the acceptance of the terms, conditions, and impositions of this Act by the said Northern Pacific Railroad Company shall be signified in writing under the corporate seal of said company, duly executed pursuant to the direction of its Board of Directors first had and obtained, which acceptance shall be made within two years after the passage of this Act, and not afterwards, and shall be served on the President of the United States.

SECTION 13. *And be it further enacted,* That the Directors of said company, shall make an annual report of their proceedings and expenditures, verified by the affidavits of the President and at least six of the Directors; and they shall from time to time, fix, determine and regulate the fares, tolls and charges to be received and paid for transportation of persons and property on said road or any part thereof.

SECTION 14. *And be it further enacted,* That the Directors, chosen in pursuance of the first section of this Act, shall, so soon as may be after their election, elect from their own number a President and Vice-President; and said Board of Directors shall, from time to time, and so soon as may be after their election, choose a Treasurer and a Secretary, who shall hold

their offices at the will and pleasure of the Board of Directors. The Treasurer and Secretary shall give such bonds, with such security, as the said Board from time to time may require. The Secretary shall, before entering upon his duty, be sworn to the faithful discharge thereof, and said oath shall be made a matter of record upon the books of said corporation. No person shall be a Director of said company unless he shall be a stockholder, and qualified to vote for Directors at the election at which he shall be chosen.

SECTION 15. *And be it further enacted,* That the President, Vice-President and Directors shall hold their offices for the period indicated in the by-laws of said company, not exceeding three years respectively, and until others are chosen in their place and qualified. In case it shall so happen that an election of Directors shall not be made on any day appointed by the by-laws of said company, the corporation shall not, for that excuse, be deemed to be dissolved, but such election may be holden on any day which shall be appointed by the Directors. The Directors, of whom seven, including the President, shall be a quorum for the transaction of business, shall have full power to make and prescribe such by-laws, rules and regulations, as they shall deem needful and proper, touching the disposition and management of the stock, property, estate, and effects of the company, the transfer of shares, the duties and conduct of their officers and servants touching the election and meeting of Directors, and all matters whatsoever which may appertain to the concerns of said company; and the said Board of Directors may have full power to fill any vacancy or vacancies that may occur from any cause or causes, from time to time, in their board. And the said Board of Directors shall have power to appoint such engineers, agents and subordinates as may from time to time be necessary to carry into effect, the object of the company, and to do all acts and things touching the location and construction of the road.

SECTION 16. *And be it further enacted,* That it shall be lawful for the Directors of said company to require payment of the sum of ten per centum cash assessment upon all subscriptions received of all subscribers, and the balance thereof at such times and in such portions and on such conditions as they shall

line within the time in this Act prescribed. Sixty days previous notice shall be given of the payments required, and of the time and place of payment, by publishing a notice, once a week in one daily newspaper in each of the cities of Boston, New York, Philadelphia and Chicago, and in case any stockholder shall neglect or refuse to pay, in pursuance of such notice, the stock held by such person shall be forfeited absolutely to the use of the company, and also any payment or payments that shall have been made on account thereof, subject to the condition that the Board of Directors may allow the redemption on such terms as they may prescribe.

SECTION 17. *And be it further enacted,* That the said company is authorized to accept to its own use any grant, donation, loan, power, franchise, aid, or assistance which may be granted to or conferred upon said company by the Congress of the United States, by the Legislature of any State, or by any corporation, person or persons; and said corporation is authorized to hold and enjoy such grant, donation, loan, power, franchise, aid or assistance to its own use for the purpose aforesaid.

*SECTION 18. *And be it further enacted,* That said Northern Pacific Railroad Company shall obtain the consent of the Legislature of any State through which any portion of said railroad line may pass, previous to commencing the construction thereof; but said company may have the right to put on engineers and survey the route before obtaining the consent of the Legislature.

SECTION 19. *And be it further enacted,* That unless said Northern Pacific Railroad Company shall obtain *bona fide* subscriptions to the stock of said company to the amount of two millions of dollars, with ten per centum paid within two years after the passage and approval of this Act, it shall be null and void.

SECTION 20. *And be it further enacted,* That the better to accomplish the object of this Act, namely: to promote the public interest and welfare by the construction of said railroad and telegraph line, and keeping the same in working order, and to secure to the government at all times (but particularly in time

*Consent of Minnesota and Wisconsin given in 1865. See pages 72 and 73.

of war), the use and benefits of the same for postal, military and other purposes, Congress may at any time, having due regard for the rights of said "Northern Pacific Railroad Company," add to, alter, amend, or repeal this Act.

SCHUYLER COLFAX,
Speaker of the House of Representatives.

DANIEL CLARK,
President of the Senate, pro tempore.
Approved July 2, 1864.

ABRAHAM LINCOLN.

AMENDMENTS TO CHARTER.

No. 34.

SECTION 2: *Resolved by the Senate and House of Representatives of the United States of America, in Congress assembled,* That the time for commencing and completing the Northern Pacific Railroad, and all its several sections, is extended for the term of two years.

Approved May 7th, 1866.

FORTIETH CONGRESS, SECOND SESSION.

No. 47.

Be it resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section eight of an Act entitled "An Act granting lands to aid in the construction of a railroad and telegraph line from Lake Superior to Puget Sound, on the Pacific coast," is hereby amended to read as follows:

That each and every grant, right and privilege herein are so made and given to, and accepted by said Northern Pacific Railroad Company, to and upon the following conditions, namely: That the said company shall commence the work on said road within two years from and after the second day of July, eighteen hundred and sixty-eight, and shall complete not less than one hundred miles per year after the second year thereafter, and shall construct, equip, furnish and complete the whole road by the fourth day of July, Anno Domini, eighteen hundred and seventy-seven.

Approved July 1st, 1868.

FORTIETH CONGRESS, THIRD SESSION.

PUBLIC RESOLUTION, No. 11.

Be it resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the consent of the Congress of the United States is hereby given to the Northern Pacific Railroad Company to issue its bonds, and to secure the same by mortgage upon its railroad and its telegraph line, for the purpose of raising funds with which to

construct said railroad and telegraph line between Lake Superior and Puget Sound, and also upon its branch to a point at or near Portland, Oregon; and the term "Puget Sound," as used here and in the Act incorporating said company, is hereby construed to mean all the waters connected with the straits of Juan De Fuca within the territory of the United States.

Approved March 1st, 1869.

FORTY-FIRST CONGRESS, FIRST SESSION.

PUBLIC RESOLUTION, No. 20.

JOINT RESOLUTION granting right-of-way for the construction of a Railroad from a point at or near Portland, Oregon, to a point west of the Cascade Mountains, in Washington Territory.

Be it resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Northern Pacific Railroad Company be, and hereby is authorized to extend its branch line from a point at or near Portland, Oregon, to some suitable point on Puget Sound to be determined by said company, and also to connect the same with its main line west of the Cascade Mountains, in the Territory of Washington; said extension being subject to all the conditions and provisions, and said Company in respect thereto being entitled to all the rights and privileges conferred by the Act incorporating said Company, and all Acts additional to and amendatory thereof: *Provided,* That said Company shall not be entitled to any subsidy in money, bonds, or additional lands of the United States in respect to said extension of its branch line as aforesaid, except such lands as may be included in the right-of-way on the line of such extension as it may be located: *And provided further,* That at least twenty-five miles of said extension shall be constructed before the second day of July, eighteen hundred and seventy-one, and forty miles per year thereafter until the whole of said extension shall be completed.

Approved April 10th, 1869.

DEPARTMENT OF STATE,

WASHINGTON, APRIL 13TH, 1869.

A true copy.

R. S. CHEW,
Chief Clerk.

FORTY-FIRST CONGRESS, SECOND SESSION.

PUBLIC RESOLUTION, No. 44.

A RESOLUTION authorizing the Northern Pacific Railroad Company to issue its bonds for the construction of its road and to secure the same by mortgage, and for other purposes.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Northern Pacific Railroad Company be, and hereby is authorized to issue its bonds to aid in the construction and equipment of its road, and to secure the same by mortgage on its property, and rights of property of all kinds and descriptions, real, personal and mixed, including its franchise as a corporation; and, as proof and notice of its legal execution and effectual delivery, said mortgage shall be filed and recorded in the office of the Secretary of the Interior; and also to locate and construct, under the provisions and with the privileges, grants and duties provided for in its Act of incorporation, its main road to some point on Puget Sound, via the valley of the Columbia River, with the right to locate and construct its branch from some convenient point on its main trunk line across the Cascade Mountains to Puget Sound; and in the event of there not being in any State or Territory in which said main line or branch may be located, at the time of the final location thereof, the amount of lands per mile granted by Congress to said Company, within the limits prescribed by its charter, then said Company shall be entitled, under the directions of the Secretary of the Interior, to receive so many sections of land belonging to the United States, and designated by odd numbers, in such State or Territory, within ten miles on each side of said road beyond the limits prescribed in said charter, as will make up such deficiency, on said main line or branch, except mineral and other lands as excepted in the charter of

said Company of eighteen hundred and sixty-four, to the amount of the lands that have been granted, sold, reserved, occupied by homestead settlers, pre-empted, or otherwise disposed of subsequent to the passage of the Act of July two, eighteen hundred and sixty-four. And that twenty-five miles of said main line between its western terminus and the city of Portland, in the State of Oregon, shall be completed by the first day of January, Anno Domini, eighteen hundred and seventy-two, and forty miles of the remaining portion thereof each year thereafter, until the whole shall be completed between said points: *Provided,* That all lands hereby granted to said Company which shall not be sold or disposed of, or remain subject to the mortgage by this Act authorized, at the expiration of five years after the completion of the entire road, shall be subject to settlement and pre-emption like all other lands, at a price to be paid to said Company, not exceeding two dollars and fifty cents per acre; and if the mortgage hereby authorized shall at any time be enforced by foreclosure or other legal proceeding, or the mortgaged lands hereby granted, or any of them be sold by the trustees to whom such mortgage may be executed, either at its maturity, or for any failure or default of said Company under the terms thereof, such lands shall be sold at public sale, at places within the States and Territories in which they shall be situate, after not less than sixty days previous notice, in single sections or subdivisions thereof, to the highest and best bidder: *Provided further,* That in the construction of the said railroad, American iron or steel only shall be used, the same to be manufactured from American ores exclusively.

SECTION 2. *And be it further resolved.* That Congress may at any time alter or amend this joint resolution, having due regard to the rights of said Company, and any other parties.

SCHUYLER COLFAX,
President of the Senate.

JAMES G. BLAINE,
Speaker of House of Representatives.
Approved May 31st, 1870.

U. S. GRANT,
President of the United States.

CONSENT OF STATES.

LAWS OF MINNESOTA, 1865.

Chapter LXIX.

AN ACT to aid in the construction of the Northern Pacific Railroad and Telegraph Lines from Lake Superior to Puget Sound.

Whereas the Congress of the United States of America did, by an Act entitled "An Act granting lands to aid in the construction of a Railroad and Telegraph Line from Lake Superior to Puget Sound," on the Pacific coast, by the Northern route, approved the second day of July, 1864, create a body politic and corporate by the name, style and title of the "Northern Pacific Railroad Company," and, among other things, did authorize and empower said Company to lay out, construct, finish, maintain and enjoy a continuous Railroad and Telegraph Line, with the appurtenances named, beginning at a point on Lake Superior, in the State of Minnesota or Wisconsin, thence westerly by the most eligible railroad route to be determined by said Company, within the territory of the United States, on a line north of the forty-fifth degree of latitude, to some point on Puget Sound, with a branch via Columbia River, to a point at or near Portland, in the State of Oregon, leaving the main trunk line at the most suitable place not more than three hundred miles from its western terminus, and did also vest in said Company all the rights, powers, privileges and immunities necessary to carry into effect the purpose of said Act.

And whereas the Congress of the United States did also, by said Act, authorize said Northern Pacific Railroad Company to accept, hold and enjoy to its own use any grant, donation, loan, powers, franchise, aid, or assistance which might be granted to said Company by the Congress of the United States, by the Legislature of any State, or by any corporation, person or persons, for the purposes of said Act.

And whereas the Northern Pacific Railroad was also required by said Act, to obtain the consent of the Legislatures of any State through which any portion of said railroad line might pass, previous to commencing the construction thereof; now, therefore,

Be it enacted by the Legislature of the State of Minnesota, That the consent of the State be, and the same is hereby given to the said Northern Pacific Railroad Company to survey, lay out, locate, construct, furnish, maintain and enjoy a continuous Railroad and Telegraph Line, with the appurtenances, within its limits, on the line of said Act of Congress authorized and for the purposes aforesaid in said Act of Congress set forth, and in order to carry the same into full effect, the said Northern Pacific Railroad Company, its successors and assigns, are hereby vested with all the rights, powers, privileges and immunities, within the limits of this State, which are by said Act of Congress conferred upon them within the territory and jurisdiction of the United States, subject to the conditions in said Act contained, and to the following *proviso*:

Provided, That should said Company elect to make the eastern terminus of said road east of the eastern boundary of the State of Minnesota, then, and in that case, they shall construct, or cause to be constructed, a line of railroad from the said main line to the navigable waters of Lake Superior, wtihin the State of Minnesota, of the same gauge as said main line, for which purpose the same powers, rights and privileges are hereby granted to said Company as they have or may have to construct said line within the State of Minnesota: *And provided further,* That nothing in this Act contained shall be construed as exempting the road-bed and other property of said Company within this State from taxation.

Approved March 2nd, 1865.

LAWS OF WISCONSIN.

Chapter 485.

The people of the State of Wisconsin represented in Senate and Assembly do enact as follows:

SECTION 1. The consent of the State of Wisconsin is hereby given to the Northern Pacific Railroad Company, incorporated by act of Congress entitled "An Act granting lands to aid in the construction of a railroad and telegraph line from Lake Superior to Puget Sound, on the Pacific coast, on the Northern route," approved July 2nd, 1864, to survey, lay out, construct, finish, maintain and enjoy a continuous railroad and telegraph

line, with the appurtenances, within the limits, on the line within the said Act of Congress indicated and authorized; and for the purposes aforesaid, and in said Act of Congress set forth, and in order to carry the same into full effect, the said Northern Pacific Railroad Company, its successors and assigns, are hereby vested with all the rights, powers, privileges and immunities within the limits of this State which are by said Act of Congress conferred upon them within the territories and jurisdiction of the United States: *Provided*, That said Northern Pacific Railroad Company shall be prohibited at any time prior to the actual building or equipment of said railroad from allowing any railroad company chartered by the laws of the State of Minnesota to use or enjoy any of the privileges hereby granted to the Northern Pacific Railroad Company to be exercised in the State of Wisconsin: *And provided further*, That nothing therein contained shall be construed to prevent the said Northern Pacific Railroad Company, after the building and equipment of said road through the State of Wisconsin, from making such contracts for connections with Minnesota railroads, in the State of Wisconsin, (as) they may deem proper.

SECTION 2. This act shall take effect and be in force from and after its passage and publication.

Approved April 10, 1865.

ORGANIZATION.

The Board of Commissioners of the Northern Pacific Railroad Company, named in the original charter, held its first meeting at the Melodeon Hall, in the city of Boston, on the 1st day of September, 1864, notice thereof having been duly published according to the requirements of the charter. Thirty-three Commissioners were present, namely: from Massachusetts, 14; Maine, 4; New York, 2; Pennsylvania, 1; Connecticut, 1; New Hampshire, 1; Minnesota, 1; Illinois, 1; Kansas, 1; Michigan, 3; Missouri, 2; District of Columbia, 2.

It having been ascertained and decided that the meeting was regularly and legally called and constituted, it proceeded to elect permanent officers, with the following result: For President, Josiah Perham; Vice-President, Willard Sears; Secretary, Abiel Abbott; Treasurer, I. S. Withington.

The meeting then instructed its officers to open books within ninety days, in the cities of Portland, Maine, and Boston, Mass., to receive subscriptions to the capital stock of the Northern Pacific Railroad Company and a cash payment of ten per cent thereon, and to receipt therefor. The convention was then adjourned *sine die*.

In obedience to the above instructions of the Board of Commissioners, and in compliance with the charter, the officers of the Board caused stock books to be opened in manner and places above named, and the same remained open until twenty thousands shares of the capital stock of said company, and upwards, were subscribed, and ten dollars per share actually paid in.

The President and Secretary of said Board of Commissioners, by due publication of notice, then called a meeting of the subscribers to the capital stock, to assemble at No. 22 Merchants' Exchange Building, in the city of Boston, on Tuesday, the sixth day of December, 1864, for the purpose of electing thirteen Directors for said corporation, and transacting such other business as might legally come before it. The meeting assembled at the time and place named in the call, and, after organizing, adjourned to the same place on Wednesday, the seventh day of December, 1864, at 10 A. M., at which time and place the said subscribers re-assembled, and on motion proceeded to bal-

iot for directors. The whole number of shares entitled to vote was found to be 20,075, and the total number of votes cast was 20,073, all for the following named gentlemen:

Josiah Perham, I. S. Withington, A. W. Banfield, Philander Reed, Ogden Hall, Richard B. Sewall, Willard Sears, Abiel Abbott, Nathaniel Greene, Jr., P. J. Forristall, John A. Bass, James M. Beckett, and Oliver Frost.

Whereupon the same were declared duly elected Directors of the said Northern Pacific Railroad Company.

The Board of Directors held their first meeting at the office of the company, 22 Merchants' Exchange Building, Boston, at 3 o'clock, P. M., December 7, 1864, and organized by the choice of the following officers of the company, to-wit:

JOSIAH PERHAM, President.
PHILANDER REED, Vice-President.
CHARLES S. PERHAM, Secretary.
INCREASE S. WITHINGTON, Treasurer.

On the 15th day of December, 1864, the Board met pursuant to adjournment, and on motion of Mr. Sewall, it was

Resolved, That the Act of Congress of the United States, entitled "An Act granting lands to aid in the construction of a railroad and telegraph line from Lake Superior to Puget Sound, on the Pacific coast, by the Northern route," approved the second day of July, 1864, be and the same is hereby accepted by the "Northern Pacific Railroad Company" therein named, upon the terms, conditions and impositions in the said act set forth.

And that the President of said Company cause this acceptance, duly signified in writing, under the corporate seal and in pursuance of this resolution, to be served upon the President of the United States, in accordance with the requirements of the twelfth section of said act.

On the 29th day of December, 1864, the President of the Company caused the above notice of acceptance to be personally served on the President of the United States, which service was acknowledged in writing by the President, Abraham Lincoln, and by the then Secretary of the Interior.

THE MORTGAGE.

THIS INDENTURE, made the first day of July, A. D. one thousand eight hundred and seventy, between the Northern Pacific Railroad Company, a corporation created by an act of Congress of the United States of America, entitled *"An Act granting lands to aid in the construction of a Railroad and Telegraph Line from Lake Superior to Puget Sound on the Pacific coast by the Northern Route,"* approved by the President of the United States the 2nd day of July, A. D. 1864, parties of the first part, and Jay Cooke and John Edgar Thomson, of the City of Philadelphia, Trustees, parties of the other part.

Whereas, The parties of the first part, by the aforesaid Act of the Congress of the United States, and the Acts and Resolutions of Congress supplementary thereto, are authorized to locate, construct, furnish, maintain and enjoy, by the most eligible route as shall be determined by said company, its main road and telegraph line from a point on Lake Superior, in the State of Minnesota or Wisconsin, within the territory of the United States, on a line north of the 45th degree of latitude, to some point on Puget Sound, via the valley of the Columbia river, with the right to locate and construct its branch from some convenient point on its main-trunk line across the Cascade Mountains to Puget Sound.

And whereas, By the second section of the said Act there is granted to the party of the first part, as follows:

"That the right-of-way through the public lands be, and the same is hereby granted to said Northern Pacific Railroad Company, its successors and assigns, for the construction of a railroad and telegraph as proposed; and the right, power and authority is hereby given to said corporation to take from the public lands adjacent to the line of said road material of earth, stone, timber and so forth, for the construction thereof; said way is granted to said railroad to the extent of two hundred feet in width on each side of said railroad, where it may pass through the public domain, including all necessary ground for station buildings, workshops, depots, machine shops, switches, side-tracks, turn-tables and water stations; and the right of way shall be exempt from taxation within the territories of the United States. The United States shall extinguish as rap-

idly as may be consistent with public policy and the welfare of the said Indians, the Indian titles to all lands falling under the operations of this Act, and acquired in the donation to the road named in this bill."

And whereas, By the third section of said Act of Congress there is granted to the party of the first part, as follows, to-wit:

"That there be and hereby is granted to the Northern Pacific Railroad Company, its successors and assigns, for the purpose of aiding in the construction of the said railroad and telegraph line to the Pacific coast, and to secure the safe and speedy transportation of the mails, troops, munitions of war and public stores over the route of said line of railway, every alternate section of public land not mineral, designated by odd numbers, to the amount of twenty alternate sections per mile, on each side of said railroad line, as said Company may adopt, through the Territories of the United States, and ten alternate sections of land per mile, on each side of said railroad, whenever it passes through any State, and whenever on the line thereof the United States have full title, not reserved, sold, granted, or otherwise appropriated, and free from pre-emption and other claims or rights, at the time the line of said road is defintely fixed and a plat thereof filed in the office of the Commissioner of the General Land Office; and whenever prior to said time any of said sections or parts of sections shall have been granted, sold, reserved, occupied by homestead settlers, or pre-empted or otherwise disposed of, other lands shall be selected by said company in lieu thereof, under the direction of the Secretary of the Interior, in alternate sections, and designated by odd numbers, not more than ten miles beyond the limits of said alternative sections; and it is also provided that the exception of mineral land from the said grant does not apply to iron or coal.

"And it is further provided by the said Act that the President of the United States shall cause the lands to be surveyed for forty miles in width, on both sides of the entire line of said road, after the general route shall be fixed, and as fast as may be required by the construction of said railroad, and that the odd sections of land granted to the said company shall not be liable to sale or entry or pre-emption before or after they are surveyed, except by the said company as provided in said Act;

and that the reserved alternate sections shall not be sold by the Government at a price less than two dollars and fifty cents per acre, when offered for sale."

And whereas, By a Joint Resolution of the Congress of the United States, approved the thirty-first day of May, A. D. 1870, entitled "Joint Resolution authorizing the Northern Pacific Railroad Company to issue its bonds for the construction of its road, and to secure the same by mortgage, and for other purposes," the said company was authorized and empowered as follows, to-wit:

(For Joint Resolution, see page 69).

And whereas, The line of the said railroad, and the branch thereof, authorized by law, as nearly as the same can now be ascertained, will be in the aggregate about two thousand five hundred miles in length; and the party of the first part, for the purpose of constructing, equipping and completing the said railroad and telegraph line, has determined to negotiate and procure a loan, which shall not exceed fifty thousand dollars per mile for the whole length of the said railroad and branches now authorized by the said Acts of Congress, on the terms and conditions herein mentioned, and to that end to make and deliver its bonds, payable in gold, at the end of thirty years from the date thereof, with interest coupons, payable also in gold semi-annually, at the rate of seven and three-tenths (7.3/10) per cent per annum, free from United States tax, at the office of Jay Cooke & Company, in New York; and to secure the payment of said bonds and the interest as the same shall fall due by a First Mortgage upon the railroad, franchises, and all the lands and property and rights of property, real and personal, now possessed by said Northern Pacific Railroad Company, or which the said company may hereafter acquire; which said bonds, with the accrued interest thereon, shall be receivable at all times, at par, for the lands of the company at their price in cash; and shall be issued in denominations of $100, $500, $1,000 each of coupon bonds, or of $100, $500, $1,000, $5,000 or $10,000, of registered bonds, or in amounts of equivalent value in the coin current in London, Paris, Frankfort, Berlin or Amsterdam, and each class or denomination of said bonds shall be exchangeable for any other class or denomination thereof, at the option of the holder, at the office of the com-

pany in New York, without charge for a period of five years from the completion of said road. All of said bonds, when issued, and when exchanged or transferred, shall be countersigned by the Trustees named in the mortgage, and the Register, and shall be in form and substance as follows:

COPY OF THE COUPON BOND.

No. [Copy.] GOLD BOND, $1,000. No.

Bearing 7 3-10 Gold Interest, Free of U. S. Taxes.

Secured by 1st Mortgage on all the Lands of the Company, estimated at about Sixty Millions of Acres, and on the Franchises and all Property of the Northern Pacific Railroad Company. All Sales of Lands to be appropriated by the Trustees to the Payment of the Principal and Interest of the Bonds.

DEFENDANTS' EXHIBIT W. GRAY.—*Cont.*

THE NORTHERN PACIFIC RAILROAD COMPANY,

APPROVED JULY, 1864.

$1,000 | CUT OF TRAIN | $1,000

INCORPORATED BY ACT OF CONGRESS OF THE UNITED STATES OF AMERICA.

Promises to pay to the holder of this Bond, on the 1st day of July, 1900, at the Banking House of JAY COOKE & COMPANY, *New York,* ONE THOUSAND DOLLARS, *in United States Gold Coin, and also interest thereon at the rate of seven and three-tenths per cent. per annum, payable semi-annually, in Gold Coin, free of U. S. taxes, upon the presentation of the annexed interest Coupons at the said Banking House of* JAY COOKE & CO., *New York. This Bond is exchangeable, at the option of the holder, for a Registered Bond of like tenor and date, and is at all times receivable with its accrued interest at par in payment for the lands of the Company at their market price.*

IN TESTIMONY WHEREOF, *the said Company has caused these presents to be executed by its President and Treasurer, and its Corporate Seal to be affixed at New York, this first day of July, 1870.*

A. H. BARNEY, Treasurer.

J. GREGORY SMITH, President.

We hereby Certify, that the Northern Pacific Railroad Company, by mortgage dated the first day of July, A. D. 1870, has granted and conveyed to Jay Cooke and John Edgar Thomson, in Trust, the following property therein mentioned and described, to-wit: The entire railroad and branches thereof, with the lines of Telegraph, authorized by an Act of the Congress of the United States, and Acts and Resolutions supplementary thereto, which the said Company has undertaken to construct under the said Acts, together with the rights, privileges and franchises of the said Company, and all its property, real and personal, in possession, and which may be acquired, and all the right, title and interest of the said Company, of, in, and to all the lands to it granted by the said

Acts of Congress. We further Certify that the said Mortgage has been executed and delivered to us, and filed and recorded in the office of the Secretary of the Interior, at the City of Washington, for the exclusive benefit and security of the holders of this and other Bonds of said Company, issued and to be issued by consent of Congress to an amount not exceeding in the aggregate Fifty thousand dollars per mile of the said Railroad and branches, and is the first Mortgage on the property therein mentioned and described.*

JAY COOKE,
J. EDGAR THOMSON,
Trustees.

Countersigned and Registered by the Fidelity Insurance Trust and Safe Deposit Company, Philadelphia.

.....Register.

LAND GRANT BOND, $1,000 GOLD.

This bond and accrued interest receivable at all times at par in payment for lands of the Company at market prices.

$36.50

NORTHERN PACIFIC RAILROAD COMPANY,

Will pay to bearer at the Office of Jay Cooke & Co., in the City of New York, Thirty-Six 50-100 Dollars in Gold, being the interest due 1st 18 , on Bond No.

A. H. BARNEY, Treas.

$36.50

NORTHERN PACIFIC RAILROAD COMPANY,

Will pay to bearer at the Office of Jay Cooke & Co., in the City of New York, Thirty-Six 50-100 Dollars in Gold, being the interest due 1st 18 , on Bond No.

A. H. BARNEY, Treas.

$36.50

NORTHERN PACIFIC RAILROAD COMPANY,

Will pay to bearer at the Office of Jay Cooke & Co., in the City of New York, Thirty-Six 50-100 Dollars in Gold, being the interest due 1st 18 , on Bond No.

A. H. BARNEY, Treas.

*Since the bonds were printed the Railroad Company and the Trustees have decided to accept them at 10 per cent premium (1.10) in payment or exchange for the Company's lands.

DEFENDANTS' EXHIBIT W. GRAY.—*Cont.*

(Reverse of Bond.)

N. P. R. R. CO.

UNITED STATES OF AMERICA.

$1,000.

$

THE

NORTHERN PACIFIC RAILROAD CO.

7.3/10 Per Cent.

PRINCIPAL AND INTEREST PAYABLE IN

GOLD COIN.

PRINCIPAL DUE IN 1900.

Interest payable 1st January and 1st July,

in the

CITY OF NEW YORK.

Coupon Bonds of the Northern Pacific Railroad Company will be issued in $100, $500 and $1,000, and Registered Bonds of $100, $500, $1,000, $5,000 and $10,000, and will be exchangeable one for the other at the office of the Register of the Company, without charge. A portion may be issued payable principal and interest at London, Paris, Frankfort, Berlin or Amsterdam, in the coin there current at its equivalent with the dollar Bonds. All Bonds when issued, and in case of exchanges or transfers, will be countersigned by the Trustees and Register.

NOW THIS INDENTURE WITNESSETH, That the Northern Pacific Railroad Company, party of the first part hereto, in consideration of the premises, and of the sum of one dollar, to the said company paid, at and before the sealing and delivery of these presents, the receipt of which is hereby acknowledged, and for

the purpose of securing the payment of the principal and interest of the said bonds, in gold coin of the United States, when and as the same shall become due and payable according to the tenor and effect of the said bonds, has granted, bargained, sold, assigned, transferred, released, conveyed and confirmed, and by these presents, by virtue of the power and authority to the said company granted by the Act of Congress and Supplements thereto, and of every other power and authority in the said company vested and enabling, does grant, bargain, sell, assign, transfer, release, convey and confirm unto the parties of the second part—

All the right, title, interest, claim, estate or demand whatsoever which the party of the first part now has or may at any time hereafter acquire or become in any way entitled to, of, in, and to all the lands and sections of land, situate, lying and being on either side of the said railroad, and the branch thereof, as the same may be finally located and constructed, in accordance with the said Act of Congress, and the supplements thereto, in or through the States of Wisconsin, Minnesota and Oregon, and the United States Territories of Dakota, Montana, Idaho and Washington, making in the aggregate about sixty millions of acres of land, more or less:—and as the said lands shall be surveyed, selected, and the patents issued for the same by the United States, to the party of the first part, a more particular plan of description of the same shall be appended to this instrument, with the same effect as if said description had been fully set forth herein, before and at the time of the execution and acknowledgment hereof; and also all the right-of-way, and railroad, and branches thereof, authorized by the said Act of Congress, and the Acts and Resolutions supplementary thereto, constructed and to be constructed under the said Act, in the said States and Territories; and all engines, cars and rolling stock which the party of the first part may at any time place upon the said railroad for the use and operation thereof, together with all the rights, liberties, franchises and property of every description, to the party of the first part belonging or in anywise appertaining to the said railroad, under or by virtue of the said Acts and Resolutions of the Congress of the United States, to have and to hold the said premises, property and appurtenances above mentioned or de-

scribed, unto the parties of the second part as joint tenants, and not as tenants in common, their successors and assigns, to the only proper use, benefit and behoof of the parties of the second part, their successors and assigns, in trust, nevertheless, for the holders of the said bonds, and for the purpose of securing the payment of the said bonds, with the interest thereon, and for the uses and purposes and under the conditions and covenants hereinafter declared and expressed.

And the said parties hereto covenant and agree, each with the other, as follows, to-wit:

ARTICLE FIRST. That the party of the first part shall and will pay the principal and interest of said bonds, to the several holders or owners thereof, when and as the same shall become due and payable, according to the tenor and effect of the said bond, and shall and will assume and pay all taxes that may be assessed upon the same from time to time by the United States of America.

ARTICLE SECOND. That the party of the first part, at any time within five years after the completion of the said railroad and branch thereof, shall and will receive, at its principal office in the city of New York, any class or denomination of the said bonds for any equivalent amount of any other class or denomination of said books, at the option of, and without charge to the party or parties desiring to make such exchanges.

ARTICLE THIRD. All the property and estate herein conveyed, or mentioned and intended so to be, and all moneys arising from the sale of the same, or any part thereof, after deducting the expenses of executing this trust, are and shall be held as security, and are hereby pledged to the payment of said bonds, and the interest to become due thereon, as the same shall fall due and become payable, according to the tenor and effect of the said bonds, and shall be applied promptly to that purpose by the Trustees, in case of default in any such payment by the party of the first part.

ARTICLE FOURTH. The party of the first part shall at all times be at liberty to contract for the sale of any parcel or parcels of said lands granted to said party of first part by the said Act of Congress, and the supplements thereto, at such prices approved by the said Trustees, and upon such terms as to

payment as shall be fair and reasonable; and such sale or sales may be for cash or on credit, or partly for cash and partly on credit; and any of the bonds aforesaid, with the accrued interest or matured coupons, shall be received at the par value thereof, as cash, in payment of said lands; and the balance of said price may be secured by mortgage of the parcel or parcels of land so sold; but no land, during the construction of the road, shall be sold at less than two dollars and fifty cents ($2.50) per acre, the price limited by law for adjoining lands owned by the United States; and the proceeds of all sales of lands, whether in cash, bonds, coupons or other securities, shall be deposited with the trustees; and whenever sales of land shall be thus made by the company, the payment to the Trustees of the proceeds of such sale shall release the said lands so sold from the lien of this mortgage; and the Trustee shall and will thereupon execute to the purchaser thereof, or to the company, a full and sufficient release of the said lands sold, as aforesaid, from the aforesaid lien, so that the purchaser shall hold and enjoy the same, free from any incumbrance created or existing by reason of this mortgage.

ARTICLE FIFTH. The proceeds of the sales of the bonds shall be placed to the credit of the company upon the books of the Fiscal Agents, and shall remain on deposit with them until required for disbursement on account of construction and equipment, or other legitimate expenditures of the road; and the Trustees, under this mortgage, shall have access to the accounts of the Fiscal Agents, and shall certify, from time to time, as may be required, that said funds have been so deposited and disbursed.

All moneys in the hands of the Trustees, received by them under the Second of these articles, or for lands sold, shall be invested by them in the first mortgage bonds of the company secured by this mortgage, when said bonds can be purchased at a sum not exceeding one hundred and ten (110) cents on the dollar and accrued interest; and when said bonds cannot be purchased at that rate, then said Trustees may invest in said bonds at a higher rate, or in United States bonds, or loan said funds upon first mortgages upon productive real estate, worth, in every case, double the amount of the loan thereby secured; but before said Trustees shall invest in the bonds of

the company at a rate exceeding one hundred and ten (110) cents on the dollar, and accrued interest, or in United States securities, or in mortgages aforesaid, the executive committee of the company shall elect in which class of said securities the said investments shall be made, and the Trustees shall invest in accordance with said election. All bonds and paid coupons of the company coming into the hands of the Trustees, whether by purchase as aforesaid, or from the sale of lands, shall be cancelled by them every three months, and surrendered to the company as paid.

ARTICLE SIXTH. During the construction of the said railroad hereby mortgaged, the interest on the bonds intended to be secured hereby, shall be paid out of the earnings of the said road, and the proceeds of the sales of first mortgage bonds; and no part of the proceeds of the sale of the land embraced in this mortgage, or intended to be, shall at any time be appropriated to the payment of interest on said bonds, unless the general treasury of the company shall be first exhausted; and in such event the said company shall execute to the Trustees, for the security of the holders of said bonds, an income bond, bearing seven and three-tenths (7.3/10) per cent interest in gold, to an amount equal to the advance from the land fund in payment of interest as aforesaid, on which income bond the interest shall be paid by the company before any of the earnings of the road shall be paid to the stockholders; and said income bond shall be redeemed by other bonds of the company bearing the same rate of interest in gold, and secured by a second mortgage of the premises herein mentioned or described, including so much of the said land as may remain unsold, should the company determine to issue such bonds.

ARTICLE SEVENTH. At the close of each fiscal year, after the construction of said road shall have been completed, so that cars shall pass over the same from Lake Superior to Puget Sound, the Trustees shall ascertain the amount of bonds purchased by them, or received in payment of lands, and the amount of proceeds invested in other securities, as above provided, and shall then release and convey to the company an amount of land equal in average value to that of the land then remaining unsold, bearing the proportion to the whole

land grant from the United States to the company, that the amount of bonds thus received and money invested, as aforesaid, shall bear to the whole amount of bonds issued, upon the basis if sixty millions (60,000,000) of acres of land to the whole amount of bonds issued, at the rate of fifty thousand dollars per mile of the said main line and branches.

ARTICLE EIGHTH. The company shall remain in possession of the railroad, and all the property embraced in the mortgage, until there shall have been a breach in the conditions of this mortgage.

ARTICLE NINTH. The Trustees shall have full power, from time to time, to employ a register and treasurer and such clerks and assistants as they shall find necessary to enable them to discharge properly the duties devolving upon them under the provisions of this instrument, in respect to the issue of bonds, and the sale or conveyance of the lands granted as aforesaid by the Government of the United States; and they shall also have power to appoint an agent or attorney to execute conveyances of said lands, and to act generally in their behalf in respect thereto, and from time to time to remove such agent and appoint another in his place; and all conveyances executed by such agent or attorney and countersigned by said treasurer, and other acts performed within the scope of his powers, shall be legal and valid, in the same manner as if executed or done by the Trustees.

ARTICLE TENTH. Conveyance of the said lands granted by the United States may be, from time to time and at all times, executed by the Trustees of this mortgage for the time being, or under their authority, by an agent appointed, as provided in Article Nine, and being so executed, shall be effectual to divest the title of all the Trustees; but in respect to any conveyances so made, or the lands embraced therein, or the proceeds of the sale thereof, the Trustees not joining therein shall be in no manner answerable.

ARTICLE ELEVENTH. If there shall at any time be a default in the payment of any interest or principal upon any of the bonds secured by this instrument, when and as the same shall become payable, and such default continue for six months after

demand made at the principal office of the company for the payment of the same, the Trustees are authorized and empowered, in their discretion, to enter upon and sell at public auction, in the city of New York, after notice in writing to the company, and after notice of such sale shall have been published at least twice a week for six weeks in one or more newspapers printed at said New York, and such other place as they may think proper or expedient, so much of such land as shall be necessary to pay and satisfy such liabilities.

ARTICLE TWELFTH. In case default shall be made in the payment of any interest on any of the aforesaid bonds secured by this instrument, issued or to be issued, according to the tenor and effect of the said bonds, or in any requirement to the done or kept by the party of the first part, and if such default shall continue for the period of six months after demand for such payment or notice of such requirement made or given to the party of the first part in writing, it shall be lawful for the said Trustees, or the survivor or survivors of them, or their or his successors, personally or by their or his attorneys or agents, to enter into and upon all and singular the premises hereby conveyed, or intended so to be, and each and every part thereof, and to have, hold and use the same, operating by their or his superintendents, managers, receivers or servants, or other attorneys or agents, the said railway, and conducting the business thereof, and making from time to time, all repairs and replacements, and such useful alterations, additions and improvements thereto as may be necessary for the lawful and proper accommodation of the business of the said road, and to collect and receive all tolls, freight, incomes, rents, issues and profits of the same, and of every part thereof; and after deducting the expense of operating the said railway, and conducting its business, and of all the said repairs, replacements, alterations, additions and improvements, and all payments which may be made for taxes, assessments, charges or liens, prior to the lien of these presents upon the said premises, or any part thereof, as well as a just compensation for their or his own services, and services of his agents or attorneys, to apply the moneys arising as aforesaid to the payment of interest, upon the said bonds intended to be secured by this mortgage, in the order in which such interest shall have become or

shall become due, ratably to the persons entitled to such interest, and after paying all interest which shall have become due, shall restore the premises aforesaid to the possession of the party of the first part, subject however to the covenants and conditions of this mortgage.

ARTICLE THIRTEENTH. In case default shall be made as aforesaid, and shall continue for the space of three years after entry as provided in Article Twelfth, it shall be lawful for the said Trustees or the survivors or survivor of them, or their or his successors in this trust, personally or by their or his attorneys or agents, to sell and dispose of all and singular the premises hereby conveyed, or intended so to be, or only so much or such parts thereof as they may deem necessary and proper with a due regard to the interest of all parties, at public auction in the City of New York, or at such place as the said Trustees may designate, and at such time as they may appoint, having first given personal notice to a majority of the Board of Directors and notice of the place and time of such sale, by advertisement, published not less than three times a week for four months, or such shorter time, not less than forty days, as the party of the first part may, by resolution of its Board of Directors, assent to, in one or more newspapers in the city of New York, or other cities or towns as shall be deemed for the interest of the parties hereto, by the Trustees, or to adjourn the said sale, from time to time, in their or his discretion; and if so adjourning, to make the same at the time and place to which the same may be so adjourned; and on receiving full payment for the same, to make and deliver to the purchaser or purchasers thereof good and sufficient deed or deeds in the law for the same, in fee simple, which sale, made as aforesaid, shall be a perpetual bar, both in law and equity, against the party of the first part, and all other persons lawfully claiming or to claim the said premises, or any part thereof, by, from, through or under the said party of the first part: and after deducting from the proceeds of such sale, just allowances for all expenses of the said sale, including attorneys' and counsel fees, and all other expenses, advances or liabilities which may have been made or incurred by the said Trustees in operating or maintaining the said railway, or in managing

its business while in possession, and all payments which may have been made by them for taxes or assessments, and for charges and liens prior to the lien of these presents on the said premises, or any part thereof, as well as reasonable and lawful compensation for their own services, to apply the said proceeds to the payment of the principal of such of the aforesaid bonds, as may be at that time unpaid, whether or not the same shall have previously become due; and of the interest which shall at that time have accrued on the said principal, and be unpaid, without discrimination or preference, but ratably to the aggregate amount of such unpaid principal and accrued and unpaid interest; and, if after satisfaction thereof, a surplus of the said proceeds shall remain, to pay over the same to the said Northern Pacific Railroad Company, or to such other parties as may be entitled to receive the same.

And it is hereby declared that the receipt or receipts of the said Trustees shall be sufficient discharge to the purchaser or purchasers of the premises, or of any part thereof, for his or their purchase money, and that such purchaser or purchasers, his or their heirs, executors or administrators, shall not, after payment thereof, and having such receipt be liable to see to its being applied upon or for the trusts and purposes of these presents, or in any manner whatsoever be available for any loss, misapplication or non-application of such purchase money, or in any part thereof, or be obliged to inquire into the necessity, expediency or authority of or for any such sale.

ARTICLE FOURTEENTH. At any sale of the aforesaid railroad equipment, appurtenances, or any part thereof, or any part of the premises included in this mortgage, whether made by virtue of the power herein granted, or by judicial authority, the Trustees may bid for and purchase, or cause to be bid for and purchased, the property so sold, or any part thereof, in behalf of all the holders of the bonds secured by this instrument and then outstanding, in the proportion of the respective interests of such bondholders, at a reasonable price, if but a portion of the said property shall be sold; or if all of it be sold, at a price not exceeding the whole amount of such bonds outstanding, with the interest accrued thereon.

ARTICLE FIFTEENTH. The party of the first part shall from time to time, and at all times hereafter, and as often as thereunto requested by the Trustees, execute, deliver and acknowledge all such further deeds, conveyances and assurances in the law for the better assuring unto the Trustees and their successors in the trust hereby created, upon the trusts herein expressed, the lands, railway, equipments and appurtenances hereinbefore mentioned, or intended so to be, and all other property and things whatsoever, which may be hereafter acquired for use in connection with the same, or any part thereof, and all franchises now held, including the franchise to be a corporation, as by the Trustees, or the survivors or survivor of them, or their successors, or by their or his counsel learned in the law, shall be reasonably advised, devised or required; and the party of the first part shall furnish to the party of the second part, from time to time upon their reasonable request in writing a true and full inventory of all the movable property appertaining to the said railroad and the operations thereof, and which is transferred by this indenture; but no default to demand or to furnish such inventory shall impair the operation or effect of this indenture upon all or any of the property herein agreed to be transferred.

ARTICLE SIXTEENTH. The Trustees shall have full power in their discretion, and upon the written request of the party of the first part, to convey, by way of release or otherwise, to the persons designated by the said party of the first part, the whole or any part of any lands acquired or held for purposes of stations, depots, shops or other buildings, or the uses connected therewith; and shall also have power to convey as aforesaid any lands, whether donated by the United States government or otherwise, which in the judgment of the Trustees, shall not be necessary for use in connection with the said railroad, or which may have been held for a supply of fuel, gravel or other material; and also to convey as aforesaid any lands which may become disused by reason of a change of the location of any station house, depot, shop or other building connected with the said railway, and such lands occupied by the track and adjacent to such station house, depot, shop or other building, as the said party may deem it expedient to

disuse or abandon by reason of such change; and to consent to any such change, and to such other changes in the location of the track, as, in their judgment, shall have become expedient; and to make and deliver the conveyances necessary to carry the same into effect; but any lands which may be acquired for permanent use in substitution for any so released, shall be conveyed to the Trustees upon the trusts of these presents; and the Trustees shall also have full power to allow the said party of the first part, from time to time, to dispose of, according to its discretion, such portions of the equipments, machinery and implements, at any time held or acquired for the use of the said railway, as may have become unfit for such use, replacing the same by new, which shall be held by the Trustees under the provisions of these presents.

ARTICLE SEVENTEENTH. If the said party shall well and truly pay the principal and interest of the said bonds, the payment of which it intended to be secured hereby, at the times and in the manner specified in said bonds, and according to the tenor and effect thereof, and shall well and truly keep and perform all the things herein required to be kept or performed by the said party, according to the true intent and meaning of these presents, then, and in that case, the estate, right, title, and interest of the said parties of the second part, and of their successors in the trust hereby created, shall cease, determine and become void; otherwise the same shall be and remain in full force and virtue.

ARTICLE EIGHTEEN. It is hereby declared and agreed that it shall be the duty of the Trustees to exercise the power of entry hereby granted, or the power of sale hereby granted, or both, or to take appropriate legal proceedings to enforce the rights of the bondholders under these presents, upon the requisition, in writing, as hereinafter specified as applicable to the several cases of default, in the manner and subject to the qualifications hereinafter provided, as follows:

I. If the default be as to interest or principal of any bonds, provided for by these presents, such requisition upon the said Trustees shall be by holders of not less than ten million dollars in aggregate amount of the said bonds; and upon such requisition, and a proper indemnification by the persons mak-

ing the same to the Trustees against the cost and expenses to be by them incurred, it shall be the duty of the Trustees to enforce the rights of the bondholders under these presents by entry, sale or legal proceedings, as they, being advised by counsel learned in the law, shall deem most expedient for the interest of all the holders of the said bonds.

II. If the default be in the omission of any act or thing required by Article Fifteenth of these presents, for the further assuring of the title of the Trustees to any property or franchises now possessed or hereafter acquired, or in any provision herein contained to be performed or kept by the said company, then, and in either of such cases, the requisitions shall be as aforesaid, but it shall be within the discretion of the Trustees to enforce or waive the rights of the bondholders by reason of such default, subject to the power hereby declared of a majority in interest of the holders of the said bonds, by requisition in writing, or by a vote at a meeting duly held to instruct the said Trustees to waive such default, or to enforce their rights by reason thereof, provided that no action of the said Trustees, or bondholders, or both, in waiving such default, or otherwise, shall extend to or be taken to effect any subsequent default, or to impair the rights resulting therefrom.

ARTICLE NINETEENTH. It is mutually agreed, by and between the parties hereto, that the word "Trustees" as used in these presents, shall be construed to mean the Trustees of this mortgage for the time being, whether all or any be original or new; and whenever a vacancy shall occur, the trustee or trustees surviving or continuing, shall thereupon become vested with all the powers, authorities and estates granted to or conferred upon the parties of the second part, by these presents, including power to fill vacancies, and all the rights and interests requisite to enable him or them to execute the purpose of this trust, without any further assurance or conveyance, so far as such effect may be lawful; but the surviving or continuing trustees or trustee shall immediately execute such conveyance and other instruments as may be fit or expedient for the purpose of assuring the legal estate in the premises, jointly with themselves or himself, to the trustee or trustees so appointed; and upon the death, resignation or removal of any trustee, or any appointment in his

place, in pursuance of these presents, all his powers and authorities, by virtue hereof, shall cease; and all the estate, right, title and interest in the said premises, of any trustee so dying, resigning or being removed, shall, if there be a co-trustee or co-trustees surviving or continuing in office, wholly cease and determine; but the said trustee so resigning or being removed, shall, on the written request of the new trustee who may be appointed, immediately execute a deed or deeds of conveyance to vest in such new trustee, jointly with the continuing trustees or trustee, upon the trust herein expressed, all the property, rights and franchises which may be at that time held upon the said trusts. And in case it shall at any time hereafter prove impracticable, after reasonable exertions, to appoint, in the manner hereinbefore provided, a successor in any vacancy which may have happened in said trust, application in behalf of all the holders of the bonds secured hereby may be made by the surviving or continuing trustees or trustee, or if the trust be wholly vacant, such application may be made by holders of the said bonds to the aggregate amount of one hundred thousand dollars to any Circuit Court of the United States, for any judicial district in which any part of the aforesaid railway may exist, to fill the vacancy or vacancies, and such trustees or trustee, appointed as aforesaid, shall be competent to exercise all the powers granted by these presents to the parties of the second part. And it is mutually agreed by and between the parties hereto, as a condition on which the parties of the second part have assented to these presents, that the said trustees shall not be in any manner responsible for any act, default, or misconduct of each other, nor for any default or misconduct of agents by them employed, nor shall either of them be answerable except for his own wilful default or misconduct; that the said trustees shall be entitled to just compensation for all services which they may hereafter render in their trust, to be paid by said company; that either of the said trustees, or any successor, may resign and discharge himself of the trust created by these presents, by notice in writing to the Northern Pacific Railroad Company, and to the existing trustees or trustee, if there be such, three months before such resignation shall take effect, or such shorter time as they or he may accept as adequate notice, and upon the due execution

of the conveyances hereinbefore required; that the said trustees, or any or either of them, may be removed by a vote of a majority in interest of the holders of the aforesaid bonds, the said vote being had at a meeting, duly held, of the said bondholders, and attested by an instrument under the hands and seals of the persons so voting; that in case at any time hereafter either of the said trustees, or any trustee hereafter appointed, shall die, or resign, or be removed, as herein provided, or by a court of competent jurisdiction, or shall become incapable or unfit to act in the said trust, a successor to such trustee shall be appointed by the surviving or continuing trustees or trustee, with the consent of the holders, for the time being, of a majority in interest of the said bonds then outstanding, or the consent of a meeting, duly held, of the holders of said bonds.

IN WITNESS WHEREOF, The party of the first part hath caused its corporate seal to be hereunto affixed, and the same to be attested by its President and Secretary, and the parties of the second part have hereunto set their hands and seals, to testify their acceptance of the trust hereby created, the day and year first above written.

(Signed)

J. GREGORY SMITH,
President Northern Pacific Railroad Co.

SAMUEL WILKESON,
Secretary.

JAY COOKE,
J. EDGAR THOMSON,
Trustees.

INVESTING MONEY.

A Railroad Bond and Real Estate Mortgage Combined.
Earnings of Pacific Railroads.
Value of Railroad Land Grants.
Exchanging United States Five-Twenties.

In its First Mortgage Land Grant 7-30 Gold Bonds the Northern Pacific Railroad Company furnishes to the public an investment security which combines the ready negotiability, the convenience, and the high credit of a first-class Railroad Bond, with the solidity and safety of a Real Estate Mortgage on Land worth at least twice the amount loaned.

As these bonds are a first lien upon the Road and its Traffic, and upon a Government Grant of Land, the character of the security will obviously depend jointly upon the Earnings of the Road and the Value of its Land.

PACIFIC RAILROAD EARNINGS. As officially reported, the gross earnings of the present Pacific Railroad (Union and Central) for 1871, the second year of through business, will nearly reach Seventeen Millions and a Quarter ($17,250,000). Of this amount, 65 per cent is from Local Business, and, it is stated, about 55 per cent, or nearly Nine and a Half Millions, are net over operating expenses.

An equal traffic on the Northern Pacific Road (which it can hardly fail to secure) will pay a yearly dividend of more than 9½ per cent on its total cost.

This established success of the first Pacific Road—achieved in spite of many obstacles—places beyond question the prosperity and profitableness of the Northern Pacific line, with its great and obvious advantages in Distance, Grades, Cost of Construction, Climate and Tributary Fertile Country. Each road has an ample field of its own—the two being 500 miles apart. As in the case of the Union and Central Pacific and most other roads, the bulk of the earnings of each will doubtless continue to come from Local Traffic, while the Asiatic and Through carrying-trade of both will be increased by their joint efforts to turn the current of the world's commerce across the American Continent, and by their joint demonstration that the trans-continental route is adequate to all commercial needs.

DEFENDANTS' EXHIBIT W. GRAY.—*Cont.*

THE VALUE OF LAND GRANTS. The average price at which the twenty-five leading Land-Grant Railroads have thus far sold their lands is $7.04 per acre—the highest average of any grant being $13.98, and the lowest $3.07. The list is as follows:

LAND GRANT ROADS.	Acres Granted per Mile of Road.	Average price per Acre at which sold.
Grand Rapids and Indiana	3,625	$13.98
Burlington and Missouri	1,287	11.70
Illinois Central	3,840	11.42
Hannibal and St. Joseph	3,840	11.00
Chicago, Rock Island & Pacific	1,613	7.63
Atchison, Topeka and Santa Fe	6,400	7.70
Flint and Pere Marquette	7,680	7.18
Southern Minnesota	8,960	7.04
Atlantic and Pacific	4,545	6.77
St. Paul and Pacific	6,400	6.50
Winona and St. Peter	5,486	7.08
Iowa Falls and Sioux City	3,840	6.50
Minnesota Central	1,518	6.33
Cedar Rapids & Missouri River	4,138	6.00
Jackson, Lansing and Saginaw	4,348	6.00
Dubuque and Sioux City	4,378	6.00
St. Paul and Sioux City	6,834	5.67
Missouri River, Fort Scott & Gulf		6.39
Des Moines Valley	1,879	6.00
Little Rock and Fort Smith	8,666	5.30
Marquette and Ontonagon	6,389	5.00
Lake Superior and Mississippi	10,880	4.88
Union Pacific	12,800	4.25
Denver Pacific	9,415	4.18
Kansas Pacific	12,800	3.07

REORGANIZATION OF THE NORTHERN PACIFIC R. R. CO.

To the Bondholders of the Northern Pacific Railroad Company:

The undersigned, a Committee appointed at a general meeting of the Bondholders of the Northern Pacific Railroad Company, held on the 18th day of March, 1875, respectfully report:

The Committee have carefully considered the matters referred to them, and after full conference with the Company's directors and officers, recommend to the bondholders the following plan as the best possible method of harmonizing all interests and insuring the early completion of the road—the vital point, to which all energies must be directed.

On the 16th day of April last the United States Circuit Court, for the Second Judicial Circuit and Southern District of New York, appointed a Receiver of the Northern Pacific Railroad Company and all its property.

The order making this appointment was given under proceedings brought by your Trustees, in which *bona fide* holders of bonds to a large amount united. This suit was commenced, and the Receiver appointed, with the full approval of the members of your Committee.

An order has been made by the Court which maintains the former system of selling the Company's lands, and the conversion of bonds into lands continues to be made, subject to the approval of the Receiver.

On the 12th day of May the Trustees, and the bondholders united with them, applied to the Court for a final decree, which was granted.

The wisdom of this action, when explained to your Committee at its next subsequent meeting, was apparent, and received its approval.

Under this decree the Company's road and all its property are to be sold for the benefit of the bondholders. Your Committee feel that this benefit will be best secured by an arrangement between all parties in interest which shall satisfy every equity, avoid tedious litigation and secure the extension of the road. This extension is indispensably necessary to restore value to your investments.

Your road *uncompleted* is wholly unremunerative, but *completed* it becomes one of the great highways of the nation. The problem must be met by you at the outset: How can capitalists be induced to invest anew in this enterprise? This is the *only* problem. That the road will pay when completed (or even extended into Montana), experience amply demonstrates.

The Union Pacific Railroad was built through an uninhabited section of the country, supposed to be almost valueless; but in the year eighteen hundred and seventy-four, and within five years after its completion, its surplus earnings amounted to $5,907,565. Seventy per cent of this amount was derived from way-traffic.

When this surprising and gratifying success of the Union Pacific Railroad, yet only partially developed, is considered, how can any one familiar with the country and its resources question the ultimate success of the Northern Pacific Railroad?

With this statement the Committee, assenting thereto themselves individually, recommend to the bondholders the immediate adoption of the plan within set forth, and respectfully request them to sign the power of attorney accompanying the same, and return it without delay to any member of the Committee, care of the Northern Pacific Railroad Company, No. 23 Fifth Avenue, New York.

A general meeting of the bondholders will be held at the office of the Northern Pacific Railroad Company, No. 23 Fifth Avenue, New York City, on the 30th day of June next, at noon, to take such further action as may seem proper to promote their interests.

New York, May 20th, 1875.

JOHNSTON LIVINGSTON,
J. N. HUTCHINSON,
WM. McKNIGHT,
JOHN M. DENISON,
ABNER COBURN,
WILLIAM WINDOM,
GEORGE STARK.

Under the call in the last paragraph above, a meeting of the Bondholders was held on the 30th day of June, to which the Committee reported the Plan heretofore published. Some amendments were made to it, and certain proposed modifications of the Decree of Sale by the U. S. Court (in respect to

preferred creditors, etc.) which had already been asked for by the Trustees, were agreed to as satisfactory; and said modifications have since been made by the Court. The Plan, as thus amended and unanimously adopted, is herewith presented. A synopsis of the Decree of Sale, as modified by the Court, is enclosed herewith.

Bondholders are now urged to sign the Plan and return without delay, by mail, to the Chairman of the Bondholders' Committee, Johnston Livingston, No. 23 Fifth Avenue, New York.

At the proper time hereafter, Bondholders will be notified to send their bonds to such Trust Company in New York as the Purchasing Committee may designate, which Trust Company will return a certificate of deposit to each Bondholder, and will have the custody of the bonds, under the terms and for the purposes of this Plan, until the certificates of Preferred Stock can be issued in exchange.

At present the essential thing to be done is for each Bondholder, who concurs in the proposed Plan, to sign the same and return it to the Committee, as above.

As soon as practicable after the purchase of the property, certificates of Preferred Stock will be sent to each present Bondholder who accepts this Plan.

New York, June 30, 1875.

JOHNSTON LIVINGSTON,
J. N. HUTCHINSON,
WM. McKNIGHT,
JOHN M. DENISON,
ABNER COBURN,
WILLIAM WINDOM,
GEORGE STARK.

PLAN.

It is proposed that the following named persons, to-wit: Johnston Livingston, New York City; Frederick Billings, Woodstock, Vermont; George Stark, Boston, Mass.; William Thaw, Pittsburgh, Pa.; J. N. Hutchinson, Philadelphia, Pa.; John M. Denison, Baltimore, Md., shall constitute a Committee to attend the sale of the railroad and other property of the Company, with a view to purchase the same, and take title therefor, for the benefit of all the parties assenting to and complying with the conditions of this plan; to assume the

management of the railroad and property when they shall have acquired title thereto; to attend to the issuing of bonds and stock, perfecting title, and generally to do all things that may be necessary to the complete execution of this plan, and to place the railroad and property again under the control and management of a Board of Directors, to be elected hereafter by the preferred stockholders.

No assessment whatever shall be levied upon the bondholders; but all costs of the purchase of the railroad and other property, expenses of foreclosure or other proceedings, shall be paid out of the assets and income of the Company.

The length of time within which the bondholders may come forward and participate in the benefits to be derived from the purchase of the railroad and other property, shall be left to the discretion of the Purchasing Committee.

The sum of one hundred thousand dollars cash, appropriated for claims under Section Fifth of the decree of sale, shall be paid out *pro rata*, under the order of the Court.

In case any difficulties shall arise in carrying out this plan to consummation, the Committee shall take such measures and employ such counsel as in their judgment will most effectually carry out this plan or its general purposes.

Any vacancy that may occur in the number of said Committee, by death, resignation or otherwise, shall be filled by the surviving or continuing members.

The Committee may act, in all cases, by a majority of their number; and in case the surviving or continuing members are unable to agree on any question, or on the filling of a vacancy, the President of the corporation shall give the casting vote.

CAPITAL STOCK.

The capital stock of the Company shall be as fixed in the Act of Incorporation, and shall be divided into *Preferred* and *Common*.

On the sale of the railroad and the other property, and the acquisition of title thereto by the Committee above named, the present stockholders shall surrender their certificates of stock into the hands of the said Committee, to be held by them either as confirmatory evidences or muniments of title, to be used accordingly by them.

PREFERRED STOCK.

Preferred stock shall be created and issued to the amount of $51,000,000 (being a majority of the share capital) for the following purposes: to retire the principal of the outstanding 7.3/10 bonds, and the interest thereon due and to become due up to and including July 1st, 1878, at the rate of 8 per cent, currency per annum. And also to retire the principal and interest, to and including January 1st, 1875, of the land warrant bonds, to pay the floating debt, not protected under the existing orders of the Court; and, generally, for the purpose of carrying into effect this plan.

The preferred stock shall have all the rights and privileges of the common stock, with the right to vote, and the holders thereof shall be entitled to dividends, not exceeding eight per cent per annum, as the *"net earnings"* hereinafter defined, in each calendar year, may suffice to pay, and before any dividends shall be paid on the common stock.

After and during the time the income of the road shall be sufficient to pay eight per cent dividends on both the preferred and the common stock, the surplus shall be divided on both alike per share, according to the number of shares issued of each.

The preferred stock shall be convertible at the par value into any lands belonging to the Company, or hereafter to belong to it, east of the Missouri river in the State of Minnesota and in the Territory of Dakota, until default shall occur in some of the provisions of the new first mortgage bonds, hereinafter provided for, and such conversion shall be an extinguishment of such stock. The proceeds of all sales of such lands, until such default, shall be used likewise in extinguishment of such stock.

The words *"net earnings,"* as used above, shall be construed to mean such surplus earnings of the said railroad as shall remain, after paying all expenses of operating the said railroad and carrying on its business, including all taxes and assessments and payments on incumbrances, and including the interest and sinking fund on the first mortgage bonds, the expenses of repairing or replacing the said railroad, its appurtenances, equipments or other property, so that the same shall be in high condition, and of providing such additional equip-

ment as the said Company shall deem necessary for the business of said railroad.

COMMON STOCK.

Common stock shall be issued to the amount authorized by the charter, less the amount of $51,000,000 of preferred stock. The holders of the common stock shall not have the right to vote on it, until on or after July 1st, 1878. The holders of this stock shall only be entitled to dividends in each year, at the discretion of the Board of Directors, when the *net earnings*, as heretofore defined, exceed an amount sufficient to pay interest and sinking fund on the mortgage debts, and eight per cent on the preferred stock. Certificates of this stock shall be issued to holders of, or to those now entitled to, certificates, share for share; and the residue ratably to those originally entitled thereto, or their assigns.

FIRST MORTGAGE BONDS.

To provide the means to complete and equip the road, there shall be issued First Mortgage Bonds not to exceed an average of $25,000 per mile of road actually completed and accepted by the President of the United States, to be secured by a mortgage or mortgages which shall be a first and paramount lien on the whole line of road, constructed and to be constructed, and on the equipment, property, lands and franchises, acquired and to be acquired, including the franchise to be a corporation, subject only to the right of the holders of the preferred stock to convert their stock in the lands of the company, now owned or hereafter to be acquired east of the Missouri river, in the State of Minnesota, and the Territory of Dakota, and also to the right to the proceeds of the sales of said lands, to be used in the extinguishment of said stock, until any default is made in the provisions of this mortgage. The principal of these bonds shall be payable forty years after date, and the interest and sinking fund may be payable in gold.

There shall be provided a sinking fund for the redemption of the principal of these first mortgage bonds, at or before their maturity, which shall be accumulative and shall commence five years after the date of the issue of each series. The

first mortgage bonds shall be countersigned by one or more trust companies, and said trust company or companies shall deliver to the raiload company bonds to the amount of $25,000 per mile of each mile of road already completed, and shall continue to deliver bonds to the company, not to exceed $25,000 per mile of road constructed, or for which the materials may have been furnished.

Provision shall be made in the first mortgage or mortgages to secure effectually the holders of the bonds issued under them in the event of any and every default. No other bonds shall be issued, except on a vote of at least three-fourths of the preferred stock, at a meeting specially held in reference thereto, on a notice of at least thirty days by advertisement in two newspapers published respectively in the cities of New York, Philadelphia and Boston.

POWER OF ATTORNEY.

We, the undersigned, whether holders of bonds of the Northern Pacific Railroad Company, or of its stock, do hereby, and in consideration of one dollar to each of us in hand paid, and of the expenses heretofore incurred on our behalf in the proceedings which have been taken in the Circuit Court of the United States above recited, agree, each with the other, to the foregoing plan, and to the sale to be consummated under the decree in said proceedings, and do hereby make, constitute and appoint the said Johnston Livingston, New York City; Frederick Billings, Woodstock, Vermont; George Stark, Boston, Mass.; J. K. Moorhead,* Pittsburgh, Penna.; J. N. Hutchinson, Philadelphia, Penna. and John M. Denison, Baltimore, Md., their successor or successors, our true and lawful attorneys for us and each of us, and in our name, place and stead to carry out the above plan in their best discretion, giving and granting unto said attorneys full and absolute power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done to carry out the foregoing plan, including the power to vote for us, and each of us, at any meeting of bondholders, and in and about the premises, as fully and to all intents and purposes as we might or could do if personally present; with full power of

* Elected in place of William Thaw, resigned.

substitution and revocation, hereby ratifying and confirming all that our said attorneys or their substitutes shall lawfully do or cause to be done, by virtue hereof; hereby revoking any and all powers of attorney or authorizations in the premises which we may have heretofore given to any person or persons whatsoever; *provided*, that the undersigned do not assume or incur, nor authorize their said attorneys to assume or incur for them, any liability whatever for the payment of money.

In witness whereof, we have hereunto set our hands, the fourteenth day of July, one thousand eight hundred and seventy-five.

Signatures and Residences, by Post Offices Counties and States.	Description of Bonds and Stock, designating Registered 7-30 Bonds by "R." Coupon Bonds by "C." and Land Warrant Bonds by "L. W."	Amount	Number of Bonds

Notes:

1. Be sure to place the *Post Office address* under each signature.

2. Any number of bondholders can sign a single copy of the Plan, if necessary, by attaching extra sheets after this page is filled up.

3. Under the amended decree of Court, bondholders are *not required to prove their bonds* before the Master Commissioner.

DEFENDANTS' EXHIBIT W. GRAY.—*Cont.*

REORGANIZATION

OF THE

NORTHERN PACIFIC RAILROAD COMPANY

REORGANIZATION COMMITTEE:

EDWARD D. ADAMS, Chairman.
JOHN C. BULLITT,
LOUIS FITZGERALD,
CHARLES H. GODFREY,
J. D. PROBST,
JAMES STILLMAN,
ERNST THALMANN.

CHARLES C. BEAMAN,
WM. NELSON CROMWELL, Counsel to the Reorganization Committee.

ARNOLD MARCUS, Secretary.

PROTECTIVE COMMITTEE:

BRAYTON IVES, Chairman.
AUGUST BELMONT,
GEORGE R. SHELDON,
CHARLEMAGNE TOWER, Jr.,
SILAS W. PETTIT,
Counsel.

DEPOSITARIES:

J. P. MORGAN & CO., New York.

DREXEL & CO., Philadelphia.

DEUTSCHE BANK, Berlin,

AND ITS BRANCHES AT

Frankfort-on-Main, Bremen, Hamburg, Munich and London.

FRANCIS LYNDE STETSON,
VICTOR MORAWETZ,
Counsel to the Reorganization Managers.

New York, March 16, 1896.

REORGANIZATION

OF THE

NORTHERN PACIFIC RAILROAD COMPANY.

ANNOUNCEMENT BY THE REORGANIZATION COMMITTEE,
Pages 3 to 6.

PLAN OF REORGANIZATION,
Pages 7 to 16.

STATISTICS OF THE NORTHERN PACIFIC RAILROAD COMPANY,
Pages 17 to 21.

REORGANIZATION AGREEMENT,
Pages 23 to 29.

OFFICE OF THE

NORTHERN PACIFIC REORGANIZATION COMMITTEE.

MILLS BUILDING, NEW YORK.

March 6th, 1896.

To the Holders of the Bonds and Stocks issued or guaranteed by the Northern Pacific Railroad Company:

The property of the Northern Pacific Railroad Company comprises, in various forms of ownership and control,

A Railway System of 4,706 miles;

A Land Grant of about 43,000,000 acres, and

Sundry Bonds, Stocks and Accounts, representing interests in Terminal, Express, Coal and Navigation Companies.

This property is represented by fifty-four corporations, which have issued $380,000,000 of Bonds and Stocks, of which all are now outstanding, and $271,949,044, including defaulted interest to December 31, 1896, are owned directly by the public.

The present fixed Annual Interest and Sinking Fund Charges amount to.....$10,905,690.00

The adjusted Net Income from all sources applicable to these Fixed Charges has been:

For the Fiscal Year ending June 30, 1895..... 6,015,846.62

And during the past five years has averaged.... 7,801,645.78

THE PLAN FOR INDEPENDENT REORGANIZATION

OF THE PROPERTY HAS BEEN DRAWN UPON THE FOLLOWING BASIS:

First.—THE ABANDONMENT OF CHICAGO AS THE EASTERN TERMINUS, AND THE LIMITATION OF THE RAILWAY ON THE EAST BY THE MISSISSIPPI RIVER AND THE GREAT LAKES.

The Bonds and Stocks of the Chicago & Northern Pacific Railroad Company and the Chicago & Calumet Company, or their successor companies, remaining as Northern Pacific assets, will be disposed of when they can be sold advantageously, and their proceds applied to the benefit of the property.

Second.—THE ULTIMATE UNION OF MAIN LINE, BRANCHES AND TERMINAL PROPERTIES THROUGH DIRECT OWNERSHIP BY A SINGLE COMPANY.

So far as practicable the ownership in fee, or otherwise, of the Equipment, Branch Line and Terminal properties (other than the Portland terminal) will be acquired and vested in the new Company and covered by its new mortgages.

Third.—THE REDUCTION OF THE FIXED ANNUAL CHARGES TO LESS THAN THE MINIMUM EARNINGS UNDER PROBABLE CONDITIONS.

The Net Income applicable to Fixed Charges has fluctuated from $10,067,408.37 in the fiscal year 1891-92 to $4,449,999.04 in 1893-94. The average of the past five years has been $7,801,645.78.

The smallest results were brought about by the well-known combination of currency panic, floods, social disorders and short crops, all of which are unlikely to occur again at any one time.

The net income during the last fiscal year, 1894-95, as shown on page 20, was.....	$5,657,483.49
To which should be added allowance for extraordinary expenses of the receiverships, of....	358,363.13
Thus making the adjusted Net Income of that year	$6,015,846.62

The gross earnings of the present fiscal year show an increase of about 16 per cent over the gross earnings for the same period of the previous year.

The fixed annual charges under the Plan of Reorganization, when fully carried out (exclusive of bonds reserved for new construction), will amount to $6,052,660.

Fourth.—AMPLE PROVISION FOR ADDITIONAL CAPITAL AS REQUIRED IN A SERIES OF YEARS FOR THE DEVELOPMENT OF THE PROPERTY AND FOR THE GREATER FACILITIES NECESSITATED BY AN INCREASED BUSINESS.

In their report of September last, the Receivers state "that provision should be made for extraordinary expenditures in the next five years of $9,000,000, in order to place the property on an equal footing with its rivals for economical operation."

RAILWAY SYSTEM AND ITS MORTGAGE LIENS.

The railroad of the Northern Pacific system is composed of

Main Line,	45.73%	2,152.35 miles.
Branches,	54.27%	2,554.09 "
	100. %	4,706.44 miles.

The General First, Second and Third Mortgage Bonds are secured by liens in their respective order upon the Land Grant and upon the Main Line railroad, as above.

The Consolidated Mortgage Bonds are secured by a fourth lien upon the Land Grant and upon the Main Line railroad, and also by the pledge of First Mortgage Bonds upon various Branch Lines having an aggregate length of 1,415.85 miles.

None of the four mortgages cover (except by leasehold) any of the terminal properties owned by the St. Paul & Northern Pacific Railroad Company, the Northern Pacific Terminal Company of (Portland) Oregon, or the Northern Pacific & Manitoba Terminal (Winnipeg), all of which are owned by separate organizations.

There are other branch roads comprising 1,138.24 miles, the bonds of which are directly owned by the public.

UNITED STATES LAND GRANT.

The Public Lands granted by the United States to the Northern Pacific Railroad Company under its charter July 2,

1864, amounted to 12,800 acres to the mile of track in the States of Minnesota and Oregon, and 25,000 acres per mile in the intermediate Territorities.

It is estimated that under this grant the Company is entitled to receive about 43,000,000 acres, of which 22,823,115 acres have been selected as belonging to the Northern Pacific Railroad Company. Of these, United States patents, vesting the title to the fee of such lands in the Company, have been received for 15,939,189 acres.

The operations of the Land Department, as shown on page 21, during the past five years show that from all sources (exclusive of proceeds of sales applicable to the Preferred Stock, or by Trustees of Prior Mortgages to their interest and sinking funds), the total Income was.....$3,076,308.37
while the Expenses and Taxes amounted to..... 1,304,145.39

leaving for the Sinking Fund of the General First Mortgage only $1,772,162.98
while for the same period the requirements thereunder amounted to..... 3,272,860.00
this Deficiency in Proceeds from Land Sales, amounting to $1,500,697.02
was supplied from the Net Earnings of the Operating Department of the Railroad Company.

Of late the diminution of sales of lands applicable to this and other mortgages, has thrown upon the transportation earnings of the Company the burden of their Sinking Fund charges.

These charges, with the other Sinking Fund obligations to the public, amounting to $1,463,763 per annum, will be entirely relieved by the full operation of the Plan of Reorganization.

None of the new bonds will be subject to drawing or compulsory redemption prior to their regular maturity, a feature now quite generally recognized by investors as most desirable. At the same time they will, after the retirement of the present General First Mortgage Bonds, receive all the benefits of the land sales through the mortgage provision that one-half the proceeds thereof, not exceeding $500,000 in any one year, shall be used in the purchase, at not exceeding 110 per cent, and the cancellation, of Prior Lien 4 per cent Bonds, and when these

are not obtainable, then in the purchase, at not exceeding 100 per cent, and the cancellation, of General Lien 3 per cent Bonds, and that the remainder shall be used for betterments and additions to the mortgaged property.

As it now stands, the System in its form of incorporation and capitalization, is a development without method or adequate preparation for growth. Scarcely any single security is complete in itself. The Main Line Mortgages cover neither feeders nor terminals. The Terminal Mortgages may be bereft of their Main Line support. The Branch Line Bonds are dependent upon the Main Line for interchange of business, and the Main Line owes a large part of its business to the Branch Lines.

The principal object of the Reorganization Committee has been to preserve the integrity of the System. The Plan now presented for the reorganization of the property is founded upon the idea that its unification means its preservation and prosperity, both of which, it is believed, can now be thus permanently accomplished with the best possible security and results for all interests.

The conversion of the General First Mortgage Bonds upon the terms set forth in the Plan is recommended by Messrs. J. P. Morgan & Co., August Belmont & Co. and Winslow, Lanier & Co., who originally issued those bonds, as well as by the German Committee of General First Mortgage Bondholders.

The Plan has been prepared with the approval and co-operation of Messrs. J. P. Morgan & Co. and the Deutsche Bank.

The Plan has received the approval of the representatives of a majority of the Bondholders of the three Main Line mortgages in process of foreclosure (the General Second, General Third and Consolidated Mortgages), and of other important interests affected by the terms of reorganization.

It has also received the approval of the interests represented by the Protective Committee.

Messrs. J. P. Morgan & Co. and the Deutsche Bank have formed the necessary Syndicate of $45,000,000, and Messrs. J. P. Morgan & Co., will act as Reorganization Managers.

EDWARD D. ADAMS, Chairman. J. D. PROBST,
JOHN C. BULLITT, JAMES STILLMAN,
LOUIS FITZGERALD, ERNST THALMANN,
CHARLES H. GODFREY,

Reorganization Committee.

The undersigned Protective Committee hereby join in recommending the prompt acceptance of the accompanying Plan and Agreement.

BRAYTON IVES, Chairman.
AUGUST BELMONT,
GEORGE R. SHELDON,
CHARLEMAGNE TOWER, Jr.,
Protective Committee,

SILAS W. PETTIT,
Counsel.

New York, March 16th, 1896.

PLAN FOR THE REORGANIZATION

OF THE

NORTHERN PACIFIC SYSTEM.

CONDITIONS OF PARTICIPATION.

Participation under this Plan of Reorganization in any respect whatsoever is dependent on the deposit of securities with one of the Depositaries, Messrs. J. P. Morgan & Co., 23 Wall Street, New York, Messrs. Drexel & Co., Fifth and Chestnut Streets, Philadelphia, the Deutsche Bank, Berlin, and its Branches at Frankfort-on-Main, Bremen, Hamburg, Munich and London, within such time as may be fixed by notice, and will embrace only securities so deposited.

No securities will be received on deposit unless in negotiable form, and bonds must carry all unpaid coupons.

Pursuant to the arrangement with a Syndicate, hereinafter stated:

As consideration for shares of the new Company as hereinafter indicated, Depositors of Preferred Stock must also pay $10 per share for new Preferred and Common Stock, and Depositors of Common Stock must pay $15 per share for new Common Stock.

The payments by Depositors of such Common and Preferred Stock must be made at the offices of Messrs. J. P. Morgan & Co., New York, or [illegible]rs. Drexel & Co., Philadelphia, or of the Deutsche Bank, Berlin and London, at the option of each depositing stockholder, in not less than three instalments, at least thirty days apart, when and as called for by advertisement in each instance at least twice a week for two weeks in two of the daily papers of general circulation published in the Cities of New York, Philadelphia, London and Berlin, respectively.

All payments must be receipted for by one of the Depositaries on the Certificate of Deposit.

Failure to pay any installment when and as payable will subject the deposited stock and all rights on account of any prior payments to forfeiture, as hereinafter provided.

Holders of Certificates of the Mercantile Trust Company of New York for General Second, General Third and Consolidated Mortgage Bonds, deposited under the existing Bondholders'

Agreement of February 19, 1894, will be entitled to the benefits of this Plan without the issue of new receipts or certificates, provided, that if hereafter required by the Managers and within the time limited therefor, such existing certificates be produced to one of the Depositaries and stamped as assenting to the Plan.

And holders of General Second, General Third and Consolidated Mortgage Bonds who have not already deposited their bonds with the Mercantile Trust Company of New York under the existing Bondholders' Agreement, shall, by delivery of their bonds to the Depositaries, be deemed to deposit their bonds under said Bondholders' Agreement, and, for the bonds deposited, will receive Certificates of said Trust Company issued under that agreement, duly stamped by one of the Depositaries as assenting to this Plan.

The Depositaries will issue negotiable receipts for all other securities deposited with them.

The holders of receipts heretofore issued by the New York Security and Trust Company of New York for General Second Mortgage Bonds, and by the New York Guaranty and Indemnity Company for General Third Mortgage Bonds, must surrender the same to one of the Depositaries and must obtain suitable new certificates hereunder in exchange therefor, in order to entitle them to any benefit of this Plan. Bonds represented by such receipts not actually delivered to the Depositaries will not be entitled to participation herein.

NEW RAILROAD COMPANY.

At the discretion of the Managers, the various properties will be sold under one or more of the several mortgages in default, or otherwise dealt with, and a successor company will be organized.

Pending their use for reorganization purposes, the securities deposited hereunder will be delivered by the Depositaries to one or more Trust Companies, to be held by them respectively subject to the order and control of the Managers.

All securities deposited under the Plan are to be kept alive so long as deemed necessary for the purpose of reorganization.

NEW STOCKS AND BONDS.

The new Company is to authorize the following securities:

First. PRIOR LIEN ONE HUNDRED YEAR 4 PER CENT GOLD BONDS FOR $130,000,000.*

These bonds are to be secured by a mortgage upon the Main Line, Branches, Terminals, Land Grant, Equipment, and other property, embraced in the reorganization as carried out, and also upon all other property thereafter acquired by the use of any of the bonds to be issued under both the new mortgages.

The present General First Mortgage covers only the main line, land grant and the equipment so far as owned by the Company.

The proceeds of the lands applicable to the new bonds after the retirement of the General First Mortgage Bonds (as provided below) will be applied, one-half, but not in any one year exceeding $500,000, to the purchase of the Prior Lien 4 per cent Bonds at not exceeding 110 per cent, and their cancellation, and the remainder, under carefully guarded restrictions in the mortgage, will be used for betterments and additions to the property pledged as security for the bonds.

Whenever these bonds cannot be purchased at the maximum price, the unapplied land proceeds for that year will be used to purchase the General Lien 3 per cent Bonds at not exceeding 100 per cent and their cancellation.

These bonds are to be appropriated approximately as follows:

To retire an equal amount of General First Mortgage Bonds	$41,879,000
To provide for the conversion and, so far as necessary, for the Sinking Fund of the General First Mortgage Bonds (any amount not so used to be added to the reserve for new construction, etc.)	14,657,650

* Bonds will be issued in the following denominations: Coupon Bonds of $500 and $1,000, with privilege of conversion into Registered Bonds of $1,000 and $10,000.

All interest will be payable quarterly, and both principal and interest will be payable in United States gold coin of the present standard of weight and fineness, without deduction for any taxes which the Railroad Company may be required to pay or retain therefrom.

For the payment of Receivers' Certificates and Equipment Trust, and the conversion of the Collateral Trust Notes and General Second Mortgage Bonds	40,040,350
Total present issue under the Plan	$96,577,000
Reserved to provide at their maturity for an equal amount of Bonds of the St. Paul & Northern Pacific Railroad Company	8,423,000
Estimated amount to be reserved for new construction, betterments, equipment, etc., under carefully guarded restrictions in the mortgage, and to the extent of not exceeding $1,500,000 per annum	25,000,000
Total authorized issue	$130,000,000

Second. GENERAL LIEN 150 YEAR 3 PER CENT GOLD BONDS*, limited in amount to $60,000,000, in addition to a reserve for the 100 year 4 per cent Prior Lien Mortgage of $130,000,000.

These bonds are to be secured by a mortgage second in lien to the Prior Lien Mortgage, and covering the same property.

They are to be appropriated approximately as follows:

For the conversion of the General Third Mortgage Bonds, Dividend Certificates, and the Consolidated Mortgage and Branch Line Bonds under the Plan	$56,000,000
Estimated amount to be reserved under carefully guarded restrictions in the mortgage, for new construction, betterments, equipment, etc	4,000,000
Total issue in excess of Prior Lien Bonds	60,000,000

* Bonds will be issued in the following denominations: Coupon Bonds of $500 and $1,000, with privilege of conversion into Registered Bonds of $1,000 and $10,000.

All interest will be payable quarterly, and both principal and interest will be payable in United States gold coin of the present standard of weight and fineness, without deduction for any taxes which the Railroad Company may be required to pay or retain therefrom.

Reserved to provide for the Prior Lien Bonds at their maturity in 100 years..... 130,000,000

Maximum amount of both Mortgages.....$190,000,000

Third. PREFERRED STOCK, 4 PER CENT NON-CUMULATIVE, limited in amount, under this Plan, to not exceeding $75,000,000, which amount can be increased only with the consent of the Preferred and Common Stockholders, as hereinafter set forth. All the Preferred Stock will be in shares of $100 each, and will be registered and transferable, at the option of the holder, either in New York or at the Deutsche Bank, Berlin. Dividends upon stock registered in Berlin may be collected there at the rate of 4.20 marks per dollar.

Each share of this Preferred Stock will be entitled to non-cumulative dividends to the extent of four per cent per annum, payable quarterly out of surplus net earnings in each fiscal year before any dividends for such year shall be paid on the Common Stock, and without deduction for any United States, State or municipal taxes that the Railroad Company may at any time be required to pay or retain therefrom.

In any fiscal year in which four per cent dividends shall have been declared on both preferred and common stock, all shares, whether preferred or common, shall participate equally in any further dividends for such year.

Provision will be made that after the termination of the Voting Trust hereinafter provided for, the Preferred Stock is to have the right to elect a majority of the Board of Directors of the new Company whenever for two successive quarterly periods the full and regular quarterly dividends upon the Preferred Stock, at the rate of four per cent per annum are not paid in cash.

The right will be reserved by the new Company to retire this stock, in whole or in part, at par, from time to time, upon any first day of January during the next twenty years.

The Preferred Stock will be appropriated approximately as follows:

For conversion and adjustment of various Main Line and Branch Line Mortgage Bonds and the defaulted interest thereon, and other purposes, as provided in the Plan.....$72,500,000

Estimated amount which may be used for reorganization purposes or may be available as a Treasury asset of the new Company.....	2,500,000
	$75,000,000

Fourth. COMMON STOCK to the amount of not exceeding $80,000,000, in shares of $100 each.

This stock will be appropriated approximately as follows:

For purposes of reorganization, as provided in the Plan	$77,500,000
Estimated amount which may be used for reorganization purposes or may be available as a Treasury asset of the new Company.....	2,500,000
	$80,000,000

VOTING TRUST.

In furtherance of this independent reorganization and the administration of the property and of the securities, both classes of stock of the new Company (except such number of shares as may be disposed of to qualify directors) are to be vested in the following five Voting Trustees: J. Pierpont Morgan, George Siemens, August Belmont, Johnston Livingston and Charles Lanier.

In the event of the death of any person designated as a Voting Trustee, prior to the creation of the Voting Trust, the vacancy shall be filled as provided in the Reorganization Agreement hereunto annexed, and which is comprised in and forms part of this Plan, with the same force and effect as though herein set forth at length. The stock shall be held by the Voting Trustees and their successors, jointly (under a trust agreement prescribing the powers and duties to be exercised by them, or by a majority of them, and the method of filling vacancies), for five years, although the Voting Trustees, in their discretion, may deliver the stock at any earlier date. Until delivery of stock is made by the Voting Trustees, they shall issue Stock Trust certificates entitling the registered holders to receive, at the time therein provided, stock certificates for the number of shares therein stated, and in the meanwhile to receive payments equal to the dividends collected

by the Voting Trustees upon a like number of shares, which shares, however, with the voting power thereon, shall be vested in the Voting Trustees until the stock shall become deliverable, as provided in such Trust Agreement and certificates of the Voting Trustees.

RESTRICTIONS AS TO ADDITIONAL MORTGAGE DEBT AND PREFERRED STOCK.

Provision is to be made that no additional mortgage shall be put upon the property to be acquired hereunder, nor the amount of the Preferred Stock authorized under this Plan be increased, except, in each instance, after obtaining the consent of the holders of a majority of the whole amount of the Preferred Stock, given at a meeting of the Stockholders called for that purpose, and the consent of the holders of a majority of such part of the Common Stock as shall be represented at such meeting, the holders of each class of stock voting separately. During the existence of the Voting Trust, the consent of holders of like amounts of the respective classes of beneficial certificates shall also be necessary for the purposes indicated.

ESTIMATES OF TOTAL NEW CAPITALIZATION,*

UNDER THE PLAN WHEN FULLY CARRIED OUT

(Exclusive of bonds and stock reserved for new construction, etc.)

Securities.		*Amount.*	*Annual Interest and Dividend.*
Prior Lien Bonds†		$105,000,000	$4,372,660
General Lien Bonds		56,000,000	1,680,000
Total Bonds		161,000,000	6,052,660
Preferred Stock	$72,500,000		2,900,000
Common Stock	77,500,000		
Total Stock		150,000,000	
Total Capitalization		311,000,000	
Total Annual Charges prior to the Common Stock			$8,952,660

*Including $8,423,000 St. Paul and Northern Pacific Bonds.

ESTIMATE OF AMOUNT AND CHARGES PER MILE.*

Securities.		*Amount per mile.*	*Interest and Dividend per mile.*
Prior Lien Bonds		$22,310	$929
General Lien Bonds		11,899	357
Total Bonds, per mile		34,209	1,286
Preferred Stock	$15,404		616
Common Stock	16,467		
Total Stock, per mile		31,871	
Total Capital, per mile		$66,080	
Annual Charges per mile prior to Common Stock			$1,902

APPLICATION OF SECURITIES.

The following details show the disposition to be made under the Plan of the securities of the new Company.

As a consideration for the property and securities to be conveyed or delivered to the new Company, or which, pursuant to the Plan, the new Company shall acquire, it is contemplated that the new Company shall deliver the new bonds and stock, excepting the new bonds to be reserved to take up such of the existing securities as are not disturbed, and such final amounts as shall be reserved for the future use of the new Company.

The requisite deliveries of the new securities to depositors and subscribers under the Plan will thus be provided for.

GENERAL FIRST MORTGAGE BONDS.

Privilege of Conversion.

The present General First Mortgage Bonds mature in 1921, but are redeemable by compulsory drawings at any time at 110

*These calculations are based upon 4,706.44 miles, and are consequently subject to variation according to the actual mileage finally embraced in the reorganization.

per cent. from the proceeds of land sales or the fixed annual contribution by the Company to the Sinking Fund.

These compulsory redemptions in the past have been a disturbing factor in all calculations for investment purposes, and the inauguration of a new and vigorous policy for the sale of the lands may be expected from this time forward greatly to increase the amount of such redemptions.

In some years these redemptions have required large contributions from the Operating Department, to the extent even of the entire amount of the Sinking Fund, a sum which would provide for the annual interest on about $19,000,000 of Prior Lien Bonds as now proposed. It is manifestly to the benefit of the holders of General First Mortgage Bonds to secure an investment of longer continuance and it is also to the benefit of all subsequent securities to diminish this unnecessarily large burden of annual fixed charge.

To relieve the bondholders from these calls for redemption, which prevent their bonds from reaching the high price they would otherwise command, and to relieve the Company from the burden of the Sinking Fund requirements, and permit the use of a portion of the proceeds of land sales for the benefit of the property.

Holders of the General First Mortgage Bonds are now offered the privilege of converting or exchanging their bonds for the new Prior Lien 100-year 4 per cent. Gold Bonds, at the rate of $1,000 old bonds (coupon or registered) for $1,350 of new bonds.

To avail of this offer, holders must deposit their bonds as provided on page 7 hereof.

Bonds deposited for conversion under this privilege will be entitled to receive on April 1st next, a cash payment of $30 per $1,000 bond so deposited in lieu of six months' interest that would mature July 1 next on such bond. The first coupon on the Prior Lien Bonds offered in exchange for General First Mortgage Bonds will be payable October 1 next, and in case of any delay in the reorganization, payments equal to the amount of such new coupons will be made on that date and quarterly thereafter until the new bonds are delivered. These payments will, in the absence of other provision, be made by the Syndicate, which will reimburse itself out of the present General First Mortgage coupons as collected.

The right is expressly reserved to modify these terms or to terminate the privilege at any time, and without notice.

The old bonds now outstanding are at the rate of about $20,466 per mile. The Prior Lien Bonds, including those reserved for the St. Paul and Northern Pacific Bonds (but not including those to be reserved for new construction, etc.), will, on the basis of 4,706 miles, amount to about $22,310 per mile, and will cover all the Equipment and the Branches and Terminals as proposed under the Plan.

It is not sought in any way to enforce a conversion of the present General First Mortgage Bonds, and this offer is made solely upon the belief that on the terms proposed such conversion, while advantageous to the Company, is also manifestly to the advantage of bondholders so converting.

The fixed charges for interest and sinking funds on the present General First and Divisional Mortgage Bonds are at the rate of $1,618 per mile per annum, while it is estimated that they will amount to only $929 per mile per annum on the Prior Lien Bonds.

The advantage is obvious of a mortgage resting upon a complete and entire system, including Main Line and all branches brought into the new Company, together with Terminals, Land Grant and Equipment, and having over $200,000,000 of bond and share capital behind it, securing a gold bond running for one hundred years, as compared with a bond at all times liable to compulsory retirement, and secured by only part of the system.

NORTHWESTERN EQUIPMENT COMPANY.

The shares deposited under the Plan to be purchased at par flat as of June 1, 1896, payable, with interest from that date at 6 per cent. per annum, at any time, in the discretion of the Managers, on or before completion of reorganization.

COLLATERAL TRUST NOTES.

Those deposited under the Plan to receive—

3 per cent. in cash May 1, 1896, and 4 per cent. in cash January 1, 1897.

100 per cent. in Prior Lien 4 per cent. Bonds.

20 per cent. in Preferred Stock Trust Certificates.

GENERAL SECOND MORTGAGE BONDS.

Those deposited under the Plan to receive—
4 per cent. in cash within sixty days after the Plan has been declared operative.
118½ per cent. in Prior Lien 4 per cent. Bonds.
50 per cent. in Preferred Stock Trust Certificates.

GENERAL THIRD MORTGAGE BONDS.

Those deposited under the Plan to receive—
3 per cent. in cash within sixty days after the Plan has been declared operative.
118½ per cent. in General Lien 3 per cent. Bonds.
50 per cent. in Preferred Stock Trust Certificates.

DIVIDEND CERTIFICATES.

Those deposited under the Plan to receive—
3 per cent. in cash within sixty days after the Plan has been declared operative.
118 per cent. in General Lien 3 per cent. Bonds.
50 per cent. in Preferred Stock Trust Certificates.

CONSOLIDATED MORTGAGE BONDS.

Those deposited under the Plan to receive—
1½ per cent. in cash within sixty days after the Plan has been declared operative.
66½ per cent. in General Lien 3 per cent. Bonds.
62½ per cent. in Preferred Stock Trust Certificates.

Except as collected out of the coupons, the Managers will have a lien upon deposited securities for cash advanced as above provided, after the Plan shall have been declared operative.

Interest on all new Bonds to be delivered in exchange for old securities will, unless otherwise stated, accrue from January 1, 1897, and will be payable on or before completion of reorganization.

Equitable cash settlements will be made for fractional amounts of new bonds and stock accruing to depositors.

BRANCH ROAD BONDS.

Holders of the Bonds issued by the following Companies are requested to communicate with Messrs. J. P. Morgan & Co., New York, or with the Deutsche Bank, Berlin, giving the

amount of their holdings, and stating whether held in Bonds or Certificates of Deposit:

Central Washington Railroad Company.

Coeur d'Alene Railway & Navigation Company.

Duluth & Manitoba Railroad Company (Minnesota Division).

Duluth & Manitoba Railroad Company (Dakota Division).

Helena & Red Mountain Railroad Company.

James River Valley Railroad Company.

Northern Pacific & Montana Railroad Company.

Northern Pacific & Manitoba Railway Company Terminal Bonds.

Seattle, Lake Shore & Eastern Railroad Company.

Spokane & Palouse Railway Company.

None of these Branch Roads (Seattle, Lake Shore & Eastern alone excepted) owns any considerable amount of equipment; all require more or less expenditure for the restoration of their track, roadbed, stations, etc., to proper condition, all are deficient in their rights-of-way; some have general traffic all the year, while others are dependent mainly upon the special business of a few months annually; and some earn varying rates of interest upon their cost.

In order to deal equitably with the holders of these Branch Bonds, it is deemed necessary to consider each case separately, and up its own individual merits.

After hearing from a large proportion of each class of these bondholders, steps will be taken to arrive at some fair basis of adjustment, for which General Lien 3 per cent. Bonds and new Preferred Stock Trust Certificates have been reserved under this Plan.

PREFERRED STOCK.

Upon completion of the reorganization, the Reorganization Managers in behalf of the Syndicate will deliver to each Depositor of one share ($100) of Preferred stock—

$50 in new Preferred Stock Trust Certificates, and
50 in new Common Stock Trust Certificates,

in consideration of his payment therefor of $10 per share, as provided on page 7 of this Plan.

COMMON STOCK.

Upon completion of the reorganization, the Reorganization Managers, in behalf of the Syndicate, will deliver to the Depositor of each share ($100) of old Common Stock one share ($100) of new Common Stock Trust Certificate, in consideration of his payment therefor of $15 per share, as provided on page 7 of this Plan.

In addition to the payment of all defaulted interest to January 1, 1897, in cash and New Mortgage Bonds, e holders of the three Main Line Mortgage Bonds in default will receive a considerable increase of principal ith the following annual income:

OLD SECURITIES	Fixed Interest				Income Contingent upon Dividends on New 4 per cent Preferred Stock		Total Income	
	Prior Lien 4 per cent Bonds		General Lien 3 per cent Bonds					
	Amount	Per cent	Amount	Per cent	Amount	Per cent	Amount New Securities	Per cent on Old Securities
100 Seconds receive*	$100	4.00	....	....	$50.00	2.00	$150.00	6.00
100 Thirds receive*	....	....	$100	3.00	50.00	2.00	150.00	5.00
100 Consols receive*	....	....	50	1.50	62.50	2.50	112.50	4.00

*In addition to amounts allowed for coupons.

The position of the holders of the Common Stock of the new Company in relation to fixed annual charges for interest and sinking funds under the Plan, as compared with the position of the holders of the Common Stock of the present Company, is as follows:

Fixed Charges and Preferred Dividends	Old Company	New Company	Reductions	
			Amount	Per Cent
Fixed annual charges prior to dividends upon the Preferred Stocks	$10,905,690	$6,052,660	$4,853,030	44.50
Required for annual dividends upon the Preferred Stocks	2,819,064	2,900,000	80,736*	2.87*
Total fixed charges and dividends upon the Preferred Stocks, prior to dividends upon the Common Stocks	$13,724,754	$8,952,660	$4,772,094	34.77

* Increase.

The compensation to be paid to Messrs. J. P. Morgan & Co. and the Deutsche Bank for their respective services as Managers and as Depositaries of securities has been fixed at one-quarter (¼%) of one per cent. upon the par value of the securities deposited under the Plan and of the new securities issued in exchange therefor, but not, in any event, to exceed $1,000,000 in all for such compensation to both parties.

SYNDICATE.

A syndicate has been formed by Messrs. J. P. Morgan & Co., of New York, and the Deutsche Bank, of Berlin, to the subscribed amount of $45,000,000, to provide the amounts of cash estimated as necessary (1) to carry out the terms of the Plan of Reorganization, and (2) to furnish the new Company with Cash working capital and with a sum estimated at $5,000,000 for early use in betterment and enlargement of its property.

NEW YORK, March 16, 1896.

MILEAGE OF THE NORTHERN PACIFIC SYSTEM.

Main Line	45.73%	2,152.35 miles
Branches	54.27%	2,554.09 miles
Owned	100.00%	4,706.44 miles

FIRST, SECOND AND THIRD MORTGAGES.

	Mileage.	*Total.*
Main Line Mileage	2,136.46	
Cokedale Spur	3.59	
Carlton to Duluth, one-half of 24.60	12.30	
		2,152.35

CONSOLIDATED MORTGAGE.

A fourth lien on the above mileage and a first lien on the following mileage through the ownership of Bonds of the Branch Roads:

Little Falls & Dakota R. R.	89.08
Northern Pacific, Fergus & Black Hills R. R.	117.05
Fargo & South-Western R. R.	87.41
Sanborn, Cooperstown & Turtle Mountain R. R.	36.75
Jamestown & Northern R. R. Co.	102.59
Northern Pacific, La Moure & Missouri River R. R.	21.30
South-Eastern Dakota R. R.	14.84
Jamestown & Northern Extension R. R.	18.03
Helena & Jefferson County R. R. Co.	20.58
Rocky Mountain R. R. of Montana	52.61
Spokane Falls & Idaho R. R.	14.39
Clealum R. R.	5.30
Northern Pacific & Cascade R. R.	17.37
Green River & Northern R. R.	11.87
Tacoma, Orting & South-Eastern R. R.	7.65
Rocky Fork & Cooke City R. R.	45.43
Northern Pacific & Puget Sound Shore R. R.	43.08
Duluth, Crookston & Northern R. R.	44.51
United Railroads of Washington	181.93
Northern Pacific & Manitoba R. R.	263.54
Spokane & Palouse R. R., Idaho Division	61.61

DEFENDANTS' EXHIBIT W. GRAY.—*Cont.*

A proportionate first lien on the following mileage, based on part ownership of the Bonds outstanding:			
Central Washington R. R.....	108.54		
Northern Pacific & Montana R. R.	354.38		
	462.92		
Proportion covered by Consolidated Mortgage		158.93	
Total mileage covered by Consolidated Mortgage			1,415.85
BRANCH ROAD BONDS OWNED BY PUBLIC.			
A first lien on the following mileage:			
Proportion of—			
Central Washington R. R..... Northern Pacific & Montana R. R.	*as above*		303.99
Spokane & Palouse R. R., in Washington...		89.33	
Coeur d'Alene Railway & Navigation Co....		49.59	
Helena & Red Mountain R. R.....		17.08	
James River Valley R. R.....		63.75	
Duluth & Manitoba R. R.....		205.77	
Seattle, Lake Shore & Eastern R. R. Co....		227.03	
St. Paul & Northern Pacific R. R. Co.....		181.70	
			1,138.24
Total mileage owned.....			4,706.44
MILEAGE NOT OWNED.			
Operated by Trackage Rights:			
Carlton to Duluth.....		12.30	
TRACKS AND TERMINALS RENTED.			
St. Paul Union Depot.....		.56	
Great Northern Railway.....		12.12	
Minneapolis Union Railway Co.....		2.60	
Minn. & St. Louis Railway Co.....		1.62	
Northern Pacific Terminal Co., of Oregon..		1.32	
St. Paul & Superior Short Line.....		2.37	
Winnipeg Transfer		1.24	
			34.13
Total miles operated.....			4,740.57

The above system of the Northern Pacific Railroad is located as follows:

STATE.	*Miles of Main Line.*	*Miles of Branches.*	*Total Miles.*
Wisconsin	78.63	.....	78.63
Minnesota	249.40	498.76	748.16
North Dakota	376.93	484.02	860.95
Montana	786.68	490.08	1,276.76
Idaho	84.06	105.64	189.70
Washington	537.97	712.05	1,250.02
Oregon	38.68	.....	38.68
Manitoba	.....	263.54	263.54
Total miles	2,152.35	2,554.09	4,706.44

DEFENDANTS' EXHIBIT W. GRAY.—*Cont.*

BONDS

ISSUED OR GUARANTEED BY THE

NORTHERN PACIFIC RAILROAD COMPANY,

HELD BY THE PUBLIC

JANUARY 1, 1896.

Title of Bonds.	*Rate of Interest.*	*Principal Due.*	*Amount Outstanding.*
Northern Pacific Railroad Company.			
Missouri Division First Mortgage..	6%	1919	$1,815,500
Pend d'Oreille Division 1st Mortgage	6%	1919	357,000
General First Mortgage.....	6%	1921	41,879,000
General Second Mortgage Bonds..	6%	1933	19,216,000
Receivers' Certificates	6%	1897	4,900,000
General Third Mortgage Bonds....	6%	1937	11,426,000
Dividend Certificates	6%	1907	519,500
Consolidated Mortgage Bonds.....	5%	1989	45,520,000
Collateral Trust Notes.....	6%	1898	9,494,000
Northwest Equipment Company...	7%	1898	3,000,000
Terminal Bonds. Principal and Interest guaranteed by the Northern Pacific Railroad Company.			
St. Paul & Northern Pacific Railway:			
Prior Lien Bonds	7%	1907	420,000
General Mortgage Bonds.....	6%	1923	8,003,000
Northern Pacific Terminal Co. First Mortgage Bonds	6%	1933	*1,440,000
Branch Road Bonds. Principal, Interest and Sinking Fund guaranteed by the Northern Pacific Railroad Company.			
Central Washington	6%	1938	1,750,000
Coeur d'Alene	6%	1938	1,238,000
Duluth & Manitoba (Minnesota)...	6%	1936	1,650,000
Duluth & Manitoba (Dakota).....	6%	1937	1,451,000
Helena & Red Mountain.....	6%	1937	400,000

*40% of $3,600,000 issued.

DEFENDANTS' EXHIBIT W. GRAY.—*Cont.*

James River Valley	6%	1936	963,000
Northern Pacific & Montana	6%	1938	5,381,000
Northern Pacific & Manitoba Terminal	5%	1939	650,000
Spokane & Palouse	6%	1936	1,766,000
Seattle, Lake Shore & Eastern	6%	1931	5,558,000
Total			$168,797,000

CORRECTED STATEMENT OF INCOME ACCOUNT AND CHARGES THERETO FOR THE FISCAL YEARS ENDING JUNE 30TH, 1895.

Fiscal Years Ending June 30th	1891	1892	1893	1894	1895	Totals, 5 Yrs. 1891-1895	Annual Average, 1891-1895
Mileage Operated	4,222	4,412	4,443	4,468	4,469		4,403
Gross Earnings:							
Freight, Commercial	$16,910,160.19	$17,328,989.35	$16,982,891.57	$11,565,455.41	$13,210,908.86	$75,998,195.38	$15,199,639.08
Freight, Construction	621,062.19	54,782.20	34,738.03	36.78	.....	710,619.20	142,123.84
Passenger	6,680,491.37	6,296,284.96	5,917,054.22	4,136,332.10	3,350,491.53	26,380,654.18	5,276,130.83
Mail, express and miscellaneous	939,830.34	981,400.98	985,424.86	845,385.22	873,790.41	4,625,831.81	925,166.36
Total gross earnings from traffic	$25,151,544.09	$24,661,457.49	$23,920,108.68	$16,547,209.51	$17,434,980.80	107,715,300.57	$21,543,060.11
Operating Expenses:							
Per books	14,940,402.18	$14,176,364.63	$14,471,771.63	$11,816,120.17	$11,319,682.41	$66,724,341.02	.....
Expenses charged to other accounts	429,889.62	355,472.58	45,939.82	.....	.....	831,302.02	.....
Total Operating Expenses	$15,370,291.80	$14,531,837.21	$14,517,711.45	$11,816,120.17	$11,319,682.41	$67,555,643.04	$13,511,128.61
Net earnings	$9,781,252.29	$10,129,620.28	$9,402,397.23	$4,731,089.34	$6,115,298.39	$40,159,657.53	$8,031,931.50
Operating Charges:							
Taxes	$460,594.44	$400,965.09	$462,340.26	$465,825.06	$501,715.91	$2,291,460.76	$458,292.15
Rentals of tracks and terminals	1,133,669.48	1,230,213.56	1,198,333.03	977,883.68	998,766.86	5,538,866.61	1,107,773.32
Other operating charges	.....	.....	.....	.....	96,562.56	96,562.56	19,312.51
Total Operating Charges	$1,594,263.92	$1,631,198.65	$1,660,673.29	$1,443,708.74	$1,597,045.33	$7,926,889.93	$1,585,377.98
Net Income from Traffic	$8,186,988.37	$8,498,421.63	$7,741,723.94	$3,287,380.60	$4,518,253.06	$32,232,767.60	$6,446,553.52
Miscellaneous Income, exclusive of that from sales of land	1,078,528.12	874,099.49	1,222,795.36	497,303.52	616,229.43	4,288,955.92	857,791.18
Total Net Income, of N. P. R. R. System considering the St. P. & N. P. R. R. as a leased line	$9,265,516.49	$9,372,521.12	$8,964,519.30	$3,784,684.12	$5,134,482.49	$36,521,723.52	$7,304,344.70
Add:							
Rentals paid St. P. & N. P. R. R. included in operating charges as above	1,024,057.94	1,090,761.75	1,048,638.19	822,814.92	838,001.00	4,824,273.80	964,854.76
Total	$10,289,574.43	$10,463,282.87	$10,013,157.49	$4,607,499.04	$5,972,483.49	$41,345,997.32	$8,269,199.46
Deduct:							
Dividends paid by St. P. & N. P. R. R. Co. (Those received by N. P. R. R. Co. included in Miscellaneous Income Account as above)	796,401.17	395,874.50	672,992.75	157,500.00	315,000.00	2,337,768.42	467,553.68
Total Net Income, including the St. P. & N. P. R. R. as part of the System	$9,493,173.26	$10,067,408.37	$9,340,164.74	$4,449,999.04	$5,657,483.49	$39,008,228.90	$7,801,645.78

NOTE: Losses for years 1891 to 1894, under Leases of Wisconsin Central Co. (including Chicago & N. P. R. R.), Seattle, Lake Shore & Eastern R. R. Co., and Puget Sound and Alaska S. S. Co., are not deducted in this statement.

New York, March 7th, 1896.

STEPHEN LITTLE,
J. H. McCLEMENT,
Auditors for Reorganization Committee.

JOHN SCOTT,
Comptroller.

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LAND DEPARTMENT OPERATIONS, FIVE FISCAL YEARS.

MINNESOTA AND DAKOTA.

Fiscal Year	Acres	Receipts			Expenses	Taxes	Total	Net Receipts
		Cash	Preferred Stock	Total				
1890–1	139,178	$116,530.08	$324,711.35	$441,241.43	$75,211.79	$41,884.91	$117,096.70	$324,144.73
1891–2	322,676*	1,413,123.27	94,362.40	1,507,485.67	397,688.39	45,004.72	442,693.11	1,064,792.56
1892–3	38,548	92,481.98	274,118.63	366,600.61	94,993.09	61,830.74	156,823.83	209,776.78
1893–4	16,732	58,122.01	290,284.56	348,406.57	35,535.31	41,216.42	76,751.73	271,654.84
1894–5	42,907	242,601.40	69,700.00	312,301.40	77,723.66	38,493.70	116,217.36	196,084.04
Totals	560,041	$1,922,858.74	$1,053,176.94	$2,976,035.68	$681,152.24	$228,430.49	$909,582.73	$2,066,452.95
Sp. M. & M. lands, 1891–2	175,337	1,193,129.98		1,193,129.98				} 871,268.43
Int. charged by operating dept., 1901–2					321,861.55		321,861.55	
Normal, five years	384,704	$729,728.76	$1,053,176.94	$1,782,905.70	$359,290.69	$228,430.49	$587,721.18	$1,195,184.52
Cash Receipts in excess of Expenses, exclusive of St. P. M. & M. lands, and int. charged by Operating Dept.								$142,007.58

MISSOURI DIVISION.

1890–1	1,659	$11,629.38		$11,629.38	$12,677.13	$21,033.65	$33,710.78	22,081.40*
1891–2	2,662	15,527.84		15,527.84	10,691.55	35,300.00	45,991.55	30,463.71*
1892–3	14,211*	19,105.60		19,105.60	12,425.19	23,638.92	36,064.11	16,958.51*
1893–4	1,613*	11,372.66		11,372.66	7,399.39	9,912.13	17,311.52	5,938.86*
1894–5	4,402	13,339.66		13,339.66	7,140.33	235.49	7,375.82	5,963.84
Totals	7,101*	$70,975.14		$70,975.14	$50,333.59	$90,120.19	$140,453.78	$60,478.64*

PEND D'OREILLE DIVISION.

1890–1	65,979	$529,508.63		$529,508.63	$106,381.91	$45,043.94	$151,785.85	$377,722.78
1891–2	36,281	460,639.55		460,639.55	85,484.69	37,786.59	123,271.28	337,368.27
1892–3	29,833*	450,115.51		450,115.51	80,243.74	50,764.13	131,007.87	319,107.64
1893–4	1,824*	131,850.98		131,850.98	57,509.67	52,399.67	109,909.34	21,941.64
1894–5	11,322*	96,802.02		96,802.02	127,077.19	7,372.28	134,449.47	37,647.45*
Totals	59,281	$1,668,916.69		$1,668,916.69	$456,697.20	$193,726.61	$650,423.81	$1,018,492.88

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GENERAL FIRST MORTGAGE DIVISIONS.

Fiscal Year	Acres	Receipts			Expenses	Taxes	Total	Net Receipts
		Cash	Preferred Stock	Total				
1890–1	159,336	$731,849.41	.....	$731,849.41	$177,122.12	$75,814.45	$252,936.57	$478,912.84
1891–2	192,260	880,728.16	.....	880,728.16	175,212.89	91,741.69	266,954.58	613,773.58
1892–3	84,651	824,402.94	.....	824,402.94	141,872.70	111,875.31	253,748.01	570,654.93
1893–4	30,415	291,044.24	.....	291,044.24	92,204.89	90,017.72	182,222.61	108,821.63
1894–5	231*	348,283.62	.....	348,283.62	168,462.12	179,821.50	348,283.62	.....
Totals	466,431	$3,076,308.37	.....	$3,076,308.37	$754,874.72	$549,270.67	$1,304,145.39	$1,772,162.98

The Net Receipts of 1894–5 were set aside for a fund to meet taxes for 1894 and prior years, pending a judicial decision as to the liability of the Land Department therefor. This accounts for the large increase in the charge for taxes in that year.

SUMMARY OF LAND OPERATIONS, FIVE FISCAL YEARS, 1891 TO 1895, INCLUSIVE.

Divisions								
General First Mortgage	466,431	$3,076,308.37	.....	$3,076,308.37	$754,874.72	$549,270.67	$1,304,145.39	$1,772,162.98
Missouri Division Mortgage	7,101*	70,975.14	.....	70,975.14	50,333.59	90,120.19	140,453.78	69,478.64*
Pend d'Oreille Division Mortgage	59,281	1,668,916.69	.....	1,668,916.69	456,697.20	193,726.61	650,423.81	1,018,492.88
Applied to Bonded Debt	518,611	$4,816,200.20	.....	$4,816,200.20	$1,261,905.51	$833,117.47	$2,095,022.98	$2,721,177.22
Minnesota & Dakota	384,704	$729,728.76	$1,053,176.94	$1,782,905.70	$359,290.69	$228,430.49	$587,721.18	$1,195,184.52
St. P. M. & M. Lands, 1891–2	175,337	1,193,129.98	.....	1,193,129.98	.....	.....	.....	871,268.43
Int. charged by Operating Dept., 1891–2	.....	.....	.....	.....	321,861.55	.....	321,861.55	
Applied to Preferred Stock	560,041	$1,922,858.74	$1,053,1 6.94	$2,976,035.68	$681,152.24	$228,430.49	$909,582.73	$2,066,452.95
Grand Total	1,078,652	$6,739,058.94	$1,053,176.94	$7,792,235.88	$1,943,057.75	$1,061,547.96	$3,004,605.71	$4,787,630.17

*Deductions for Cancellation of Sales or Losses in Operations.

February 10, 1896.

JOHN SCOTT,
Comptroller.

REORGANIZATION AGREEMENT,

MARCH 16TH, 1896.

AN AGREEMENT, made this 16th day of March, 1896, between EDWARD D. ADAMS, JOHN C. BULLITT, LOUIS FITZGERALD, CHARLES H. GODFREY, JOHN D. PROBST, JAMES STILLMAN, ERNST THALMANN (hereinafter called the Reorganization Committee), parties of the first part;

THE MERCANTILE TRUST COMPANY, party of the second part;

J. P. MORGAN & CO. (a copartnership), parties of the third part (hereinafter called the Managers);

HOLDERS OF MORTGAGE BONDS OF THE NORTHERN PACIFIC RAILROAD COMPANY (hereinafter called the Railroad Company), HOLDERS OF CERTIFICATES OF THE MERCANTILE TRUST COMPANY FOR GENERAL SECOND, GENERAL THIRD AND CONSOLIDATED MORTGAGE BONDS, HOLDERS OF COLLATERAL TRUST NOTES AND DIVIDEND CERTIFICATES OF THE RAILROAD COMPANY, AND THE MORTGAGE BONDS OF VARIOUS BRANCH RAILROADS HITHERTO KNOWN AS PARTS OF THE NORTHERN PACIFIC RAILROAD SYSTEM, AND HOLDERS OF THE PREFERRED AND COMMON STOCK OF THE NORTHERN PACIFIC RAILROAD COMPANY, who shall become parties to this agreement, of the fourth part (hereinafter called Depositors);

THE DEUTSCHE BANK, OF BERLIN, in evidence of its active support of the reorganization and of its acceptance of appointment as Depositary thereunder, party of the fifth part, and AUGUST BELMONT, BRAYTON IVES, GEORGE R. SHELDON and CHARLEMAGNE TOWER, JR., a Committee in behalf of various interests in the Northern Pacific Railroad Company (hereinafter called the Protective Committee), in evidence of their active support of the reorganization thereof according to the Plan provided herein, as parties of the sixth part;

Whereas, by an agreement dated February 19, 1894, known as the Bondholders' Agreement, the parties of the first part were, by certain holders of the General Second, General Third and Consolidated Mortgage Bonds of the Railroad Company, appointed a Committee for the reorganization of said Company; and

Whereas, the Plan referred to in this agreement has been proposed by the Reorganization Committee for the reorganization of the Railroad Company;

NOW, THEREFORE, it mutually is agreed by and between the respective parties hereto as follows:

First. A printed copy of this agreement, signed by a majority of the members of the Reorganization Committee and of the Protective Committee, and by the parties of the second and third parts hereto, and by or for the party of the fifth part, shall be lodged with J. P. Morgan & Co., New York, and a duplicate, signed in like manner, shall be lodged with the Deutsche Bank, of Berlin. Each of said copies shall be taken as a complete and original instrument, but both shall constitute but one agreement. The foregoing Plan is, and shall be, taken to be a part of this agreement, with the same effect as though each and every provision thereof had been embodied herein, and said Plan and this agreement shall be read as parts of one and the same paper; but no estimate, statement, explanation or suggestion contained in the said Plan or this agreement, or in any circular issued, or which may hereafter be issued, by the Depositaries or by the Committee or by the Managers, is intended, or is to be accepted, as a representation or warranty, or as a condition of deposit or assent under the Plan and this agreement, and no defect or error shall release any deposit under this Plan and agreement, or affect or release any assent thereto, except by written consent of the Managers.

Holders of the Bonds, Collateral Trust Notes, Dividend Certificates, and of the Preferred and Common Stock of the Railroad Company, and of the stock of the Northwest Equipment Company and of the mortgage bonds of various Branch Railroads hitherto known as parts of the Northern Pacific Railroad system, or of any of them, may become parties to this Plan and agreement by depositing their securities with the Depositaries upon the terms and conditions specified in the Plan and this agreement, or hereafter defined, and within the periods which shall be fixed or limited by the Managers.

Such holders must in all cases deposit the certificates for their stock, or their bonds, or other securities, with such transfers, assignments and powers of attorney as may be required

by the Managers in order to vest in them, and to enable them to transfer, the complete and absolute title to such stocks or bonds or other securities, and the Depositors agree respectively at any time, on demand of the Managers, to execute any and all other transfers, assignments or writings required for vesting the complete ownership of the bonds and stock deposited hereunder in the Managers, or their nominees.

All Depositors of securities (excepting Assenting Certificate holders as hereinafter designated) shall receive certificates of deposit in form to be prescribed by the Managers, specifying the respective bonds or stocks deposited, and the holders of such certificates of deposit shall be entitled (subject to any provisions contained in such certificates) to the right and benefits, and only to the rights and benefits, specified in the Plan and this agreement, as accruing to the holders of the bonds or stocks of the class represented by such certificates respectively, or granted by the Managers, pursuant to the powers conferred upon them; and thereafter the holder of any such certificate, or of any certificate issued in lieu thereof or in exchange therefor, shall be subject to the Plan and this agreement and entitled to have and exercise the rights of the original Depositor under the certificate issued to him in respect of the securities therein mentioned.

The Plan and this agreement prepared and adopted by the Reorganization Committee in exercise of the power, and in performance of the duty imposed upon said Reorganization Committee under the said Bondholders' Agreement of February 19, 1894, is in the form and contains the terms, powers and conditions which to the Committee seem equitable and fair; and in accordance with the provisions of said Bondholders' Agreement, are now lodged at New York with the Farmers' Loan and Trust Company and The Mercantile Trust Company; at Berlin, with the Deutsche Bank; and at London with the branch of the Deutsche Bank, which has been appointed by said Reorganization Committee as agent therefor, and also with said Reorganization Committee at its office, No. 15 Broad Street, in the City of New York, at each of which places copies are left for distribution to bondholders; and a brief publication of the fact of the adoption and filing of such Plan of Reorganization will be made for at least two weeks in one or

more daily newspapers published in the Cities of New York, London and Berlin, and in the absence of express dissent in writing, filed within twenty days after the expiration of such publication (in compliance with the provisions of the Second Article of said Bondholders' Agreement), the assent to and ratification of the Plan and this agreement shall be conclusively and finally assumed, conferred and given by each and every certificate holder not so expressly dissenting herefrom. But, nevertheless the Managers, at their option, at any time, may by notice published in the manner hereinafter provided in Article Twelfth hereof, exclude from the operation of the Plan and this agreement, and from any and all interest thereunder, any and all bonds represented by any such certificate issued under such Bondholders' Agreement, unless within the time and in the manner required in such public notice such certificate shall have been submitted to one of the Depositaries hereunder for stamping, and by one of such Depositaries shall have been stamped as expressly assenting to the Plan and this agreement.

Holders of General Second, General Third and Consolidated Mortgage bonds not already deposited under the Bondholders' Agreement of February 19, 1894, shall, by the delivery of their bonds to the Depositaries, be deemed to have deposited their bonds under said Bondholders' Agreement, and for the bonds deposited will receive certificates of the Mercantile Trust Company of New York, issued under that agreement, which may be stamped by one of the Depositaries as assenting to the Plan and this agreement.

All bonds represented by any such certificate, the holder of which shall have acquiesced as above provided, unless stamping of such certificates shall be required by the Managers, as above provided, and all bonds represented by any certificate stamped as aforesaid, shall be subject to, and included within, the provisions of this Plan and agreement as fully and irrevocably as though directly deposited hereunder, and the Managers shall irrevocably possess and from time to time may exercise all rights of the holders of bonds represented by such certificates, subject to the terms thereof, including the right to abandon or terminate the said former agreement and all further proceedings thereunder.

All such certificates so acquiescing or so stamped are herein designated "Assenting Certificates," and the holders thereof are designated "Assenting Certificate Holders."

Such Certificates of Deposit and such Assenting Certificates and the interests represented thereby shall be transferable only subject to the terms and conditions of the Plan and this agreement, and in such manner as the Managers shall approve; and upon such transfer, all rights of the Deposit or in respect of the deposited bonds or stock represented by such certificates, together with all installments paid by the Depositors of such stock, or their transferees, and all rights under the Certificates of Deposit or Assenting Certificates transferred, shall pass to the transferee, and the transferees and holders of such Certificates of Deposit or of such Assenting Certificate shall for all purposes be substituted in place of the prior holders, subject to this agreement. All such transferees, as well as the original holders of Certificates of Deposit or of Assenting Certificates, shall be embraced under the term "Depositors," whenever used herein. Each Certificate of Deposit or Assenting Certificate may be treated by the Reorganization Committee, by the Managers and by the Depositaries as a negotiable instrument, and the holder for the time being may be deemed to be the absolute owner thereof, and of all rights of the original Depositor of the bond or stock in respect of which the same was issued, and neither the Depositaries nor the Reorganization Committee nor the Managers shall be affected by any notice to the contrary. By accepting any such Certificate, or by presenting any Mercantile Trust Company Certificate to be stamped hereunder, every recipient or holder thereof shall thereby become party to the Plan and this Agreement with the same force and effect as though an actual subscriber hereto. The term Depositor, as well as the term Assenting Certificate Holder, whenever used herein, is intended, and shall be construed, to include not only persons acting in their own right, but also trustees, guardians, committees, agents and all persons acting in a representative or fiduciary capacity, and those represented by or claiming under them, and partnerships, associations, joint-stock companies and corporations. No rights hereunder shall accrue in respect of any securities hereinbefore mentioned unless, nor until, the same shall have been subjected

to the control of the Managers and to the operation of the Plan and this Agreement as herein provided.

The Depositaries shall receive the deposited stocks and bonds, and shall deliver the same to one or more Trust Companies in the City of New York, and the same shall be held by them respectively subject to the order and control of the Managers.

The Managers may, in their discretion, fix or limit the period or periods within which holders of bonds or stock, or other securities, or any class thereof, may deposit their securities, and within which they or holders of Mercantile Trust Company Certificates may become parties to the Plan and this agreement, and the periods within which the installments of cash payable by depositing holders of Preferred and Common stock must be paid, and, in their discretion, either generally or in special instances, may extend or renew the period or periods so fixed or limited, on such terms and conditions as they may see fit.

Holders of securities not deposited, or of the Mercantile Trust Company Certificates not becoming parties hereto, in the manner herein provided, by stamping, if so required, within the periods respectively fixed or limited therefor, will not be entitled to deposit the same or to become parties to this agreement, or to share in the benefits thereof, and shall acquire no rights thereunder, except upon obtaining the express consent of the Managers, who may withhold or give such consent, in their absolute discretion, and such terms and conditions as they may see fit.

The several installments of cash, payable by depositing stockholders as provided in the Plan and this agreement, must be paid to the respective Depositaries, and must be receipted for by such Depositaries on the respective certificates of deposit issued for such stock. The depositing stockholders agree that all such installments of cash may be used, at any time, by the Managers, for any of the purposes of the Plan and this agreement. Depositors of stock and holders of certificates of deposit for deposited stock respectively agree that prompt payment of the several installments of cash payable by them respectively on the terms of the Plan and this agreement is an essential condition to their acquisition of new stock by purchase under the Plan and this agreement, and that any depositor or any holder of a certificate of deposit for stock who shall fail to

make prompt payment of any installment of cash payable as provided in the Plan within the periods fixed or limited by the Managers for such payment shall forthwith and without further or other notice or action cease to have any rights, or to be entitled to any benefits hereunder, and in every such case the deposited stock and any cash paid as above provided prior to the date of such default shall vest in and belong to the Managers, and may be used for any of the requirements of carrying out the Plan and this agreement, and that no such defaulting Depositor or Certificate Holder shall be entitled to the return or repayment thereof or to have any further interest or rights in respect thereof. The Managers, however, in their discretion, may waive any such default and accept payment of overdue installments due from any Depositor at any time before final settlement of accounts with the syndicate.

The Managers may, in their discretion, for the purpose of carrying out the Plan and this agreement, call in for deposit any of the undisturbed Main Line bonds mentioned in the Plan, and may cause any mortgage securing the same to be foreclosed, and may cause other similar bonds having similar security, or the Prior Lien Bonds reserved therefor under the Plan, to be issued in exchange for such bonds.

Second. The Depositors and Assenting Certificate holders hereby irrevocably request the Managers to endeavor to carry into practical operation the Plan and this agreement, in its entirety or in part, to such extent and in such manner and with such additions, exceptions and modifications as the Managers shall deem to be for the best interests of the Depositors and Assenting Certificate holders, or of the properties finally embraced in the Reorganization. Each and every Depositor and Assenting Certificate holder, for himself and not for any other, does hereby sell, assign, transfer and set over to the Managers as copartners, and to the survivor and survivors of them and to their successors, each and every bond, share of stock, security or obligation or evidence thereof deposited hereunder, or represented by an Assenting Certificate, and every Depositor and Assenting Certificate holder hereby agrees that the Managers shall be and they are hereby vested with all the rights and powers of owners of the stock, bonds, securities and obligations deposited hereunder, or represented by such Assenting Certifi-

cates, including the right to transfer the same into their own name, as a copartnership and as Managers, or into the name of any other person or persons whom they may select; and (without limiting the foregoing provision) it is hereby declared that the Managers shall be fully authorized to vote thereon at any meeting of stockholders or bondholders or creditors; to use every such stock, bond, receipt, security or obligation as fully and to the same extent as the owner or holder thereof; to declare due the principal of any bond or other obligation deposited hereunder, and to revoke any such declaration whenever made; to call or attend, and either in person or by proxy, to vote at any and all meetings of stockholders or bondholders or creditors of any corporation however convened; to terminate or to seek to dissolve or modify any trust, contract or lease, in whole or in part; to apply for the determination of the validity thereof, or for the removal of any trustees or the substitution of other trustees, or to take any other steps in respect of any trust, contract or lease or under any provision thereof; to purchase at any time or times, at such prices as they shall deem proper, or to pay, compromise or settle with the holders of any coupons, notes or other indebtedness or obligations of any of the Railroad Companies, or any Receiver's certificates or obligations issued or which may be issued or incurred by the Receivers thereof, and to apply for that purpose any moneys received from the sale of trust certificates for stock in the new Company or which may otherwise be received or raised by the Reorganization Committee or by them; to borrow money for any of the purposes of this agreement, and to charge or pledge any deposited securities, property purchased, or new securities to be issued, for the payment of any moneys borrowed; to give all bonds of indemnity or other bonds, and to charge therewith the securities deposited hereunder or any part thereof; to institute or to become parties to any legal proceeding; to apply for receivers, or for the removal of receivers and the substitution of other receivers, or for the termination of any receivership and the delivery of any property to its owners; to settle any litigation now or at any time existing or threatened in whole or in part, with plenary power to enter into arrangements for decrees, or for facilitating or hastening the course of litigation, or in any way to promote the consummation of the Plan; to do whatever,

in the judgment of the Managers, may be necessary to promote or to procure the sale as an entirety or the joint or separate sales of any lands, grants of lands, property or franchise herein concerned, wherever situated; to adjourn any sale of any property or franchise, or of any portion or lot thereof at discretion; to bid, or to refrain from bidding at any sale, either public or private, either in separate lots or as a whole, for any property or franchises or any part thereof whether or not owned, controlled or covered by any deposited security, or by the bonds represented by any Assenting Certificate, including or excluding any particular rolling stock, or other property, real or personal and at, before or after any sale, to arrange and agree for the resale of any portion of the property which they may decide to sell rather than to retain; to hold any property or franchises purchased by them either in their name or in the name of persons or corporations by them chosen for the purpose of this agreement, and to apply any security embraced hereunder in satisfaction of any bid or towards obtaining funds for the satisfaction thereof; and the term property and franchise shall include any and all railroads, railroad and other transportation lines, branches, leaseholds, lands, rights in lands, mining rights, stocks, or other interests in corporations in which the Railroad Company has any interest of any kind whatever, direct or indirect. The amount to be bid or paid by the Managers for any property or franchises shall be absolutely discretionary with them; and, in case of the sale to others of any property or franchises, the Managers may receive out of the proceeds of such sale or otherwise any dividend in any form accruing on any securities held by them.

Third. The Managers may procure the organization of one or more new companies or they may adopt or use any existing or future companies, and they may cause to be made such consolidations, leases, sales or other arrangements, and may make or cause to be made such conveyances or transfers of any properties or securities acquired by them, and may take such other proceedings as they may deem proper for the purpose of creating the new securities provided for in this Plan and agreement and for carrying out all or any of the provisions thereof. Said Managers shall further be authorized to receive and dispose of, in accordance with any of the provisions of this Plan

and agreement, the new securities to be created, and said Managers may vote upon all the stock of such new corporation for all purposes in their judgment necessary to carry out the plan until the same shall be transferred to the Voting Trustees or to the Depositors and Assenting Security holders, who shall be entitled to receive the same.

Fourth. The Managers may construe the Plan and this agreement; and their construction thereof or action thereunder, in good faith, shall be final and conclusive. They may supply any defect or omission, or reconcile any inconsistency in such manner and to such extent as shall be necessary to carry out the same properly and effectively, and they shall be the sole judge of such necessity. They shall be the sole and final judge as to when and whether the assent of enough parties interested in the Railroad Company shall have been obtained to warrant them in carrying the same or any part into effect, and they shall have power, whenever they shall deem proper, to abandon or to alter, modify or depart from, the Plan of Reorganization or any part thereof. They may at any time or times, after any such partial abandonment, restore to the Plan any abandoned part or parts thereof, and may seek to carry the same into effect, as fully as if such part or parts had not been abandoned. They may also attempt to carry the Plan into effect rather than abandon or modify the same, even though it be manifest that, as carried out, the Plan must depart from the original Plan or from some part thereof. But in case of any intentional change or modification or departure from the Plan, which, in their judgment, shall materially affect any of the several classes of Depositors, or their mutual relations, a statement of such proposed change, modification or departure shall be filed with the Depositaries, and notice of the fact of such filing shall be given as hereafter provided in Article Twelfth; and within two weeks after final publication all holders of the outstanding Certificates for such particular class or classes of securities affected thereby may surrender their respective Certificates therefor and withdraw securities of such particular class or classes, or the proceeds thereof, or substitutes therefor then under the control of the Managers, to the amount indicated in such Certificates, and all Assenting Certificate holders may require cancellation of their assent and release herefrom of the securities represented

by their Assenting Certificates, provided, however, that in every case of withdrawal or cancellation the Certificate Holders or the Assenting Certificate Holders shall respectively make payment of their shares of the expenses of the Reorganization Committee and of the Managers as apportioned by the latter. Every Depositor of securities not so surrendering and withdrawing, and every Assenting Certificate Holder not withdrawing his assent, within such two weeks after final publication, shall be deemed to have assented to the proposed changes or modifications, and whether or not otherwise objecting, shall be bound thereby as fully and effectively as if he had actually assented thereto. Any changes or modifications finally made by the Managers shall be part of the Plan and this agreement; and all provisions and references concerning the Plan shall apply to the Plan so changed or modified. In case the Managers shall finally abandon the entire Plan, the stocks and bonds deposited hereunder, or their proceeds, or any stocks, bonds, securities or claims or representatives thereof, then under the control of the Managers, shall be delivered to the several Depositors in amounts representing their respective interests upon surrender of their respective Certificates and payment of such actual expenses as shall have been incurred by the Reorganization Committee and Managers, which latter shall have power to determine and to apportion upon the several classes of securities deposited hereunder the share of expense to be borne by each security. In case of such abandonment, in like manner, and upon like payment of expenses, any assent of the Assenting Certificate holders shall be released by the Managers and until so released the General Second, General Third and Consolidated Mortgage bonds represented by the Assenting Certificates shall be subject to their ratable share of such expense.

In any such case, any moneys paid by the depositing stockholders, or any coupons, receiver's certificates or other obligations, claims or property acquired therewith, or the proceeds thereof when received, remaining after deducting therefrom the share of the expenses incurred by the Managers under this agreement apportioned upon such depositing stockholders, shall be equitably distributed or adjusted among the respective holders of Certificates of Deposit therefor; but the depositing stockholders, or holders of such Certificates of Deposit, shall

have no claim for the repayment of any such moneys, except to the extent of their ratable shares of such moneys, or their proceeds, remaining in the hands of the Managers after payment of such expenses.

In every such case of withdrawal, any cash paid or advanced, as provided in the Plan, to depositors of bonds, notes or dividend certificates, or Certificates of Deposit therefor or Assenting Certificates, and any interest paid or advanced to holders of Certificates of Deposit or Assenting Certificates in respect of deposited bonds, notes, or dividend certificates represented by such Certificates of Deposit or Assenting Certificates, or in respect of the new bonds to be issued in exchange therefor under the Plan, must be repaid by the holders of such Certificates before the deposited bonds, notes, or dividend certificates represented by such Certificates of Deposit or Assenting Certificates shall be surrendered in exchange therefor; but any interest collected by the Managers on deposited securities will in such case of withdrawal be accounted for by the Managers to the holders of the Certificates of Deposit for such securities or of Assenting Certificates.

Fifth. The Managers may proceed under the Plan and this agreement or any part thereof with or without foreclosure, and in case of foreclosure may exercise any power, either before or after foreclosure sale; and in every case all the provisions of the Plan and this agreement shall equally apply to and in respect of any physical properties embraced under the reorganization, and to and in respect of any securities representing any such property, it being intended that for all purposes thereunder any such property, and any security representing such property, may be treated or accepted by the Managers as substantially identical. In case any separate Plan shall, in the opinion of the Managers, become necessary or expedient to effect the reorganization of any subordinate or other company, the Managers may promote and participate in any such reorganization and may deposit thereunder any securities thereby affected.

In case of any claim, lien or obligation not herein fully provided for and affecting the Railroad Company, or any property or franchises thereof, the Managers may from time to time (subject, however, to Article Sixth hereof) make such com-

promise in respect thereto or such provision therefor as they may deem suitable, using therefor any securities not expressly required for settlement with Depositors, or not expressly reserved for liens or obligations specified in the Plan, but the total amount of new securities to be created as set forth in the Plan shall not be thereby increased.

Any action contemplated in the Plan and this agreement to be performed on or after completion and reorganization may be taken by the Managers at any time when they shall deem the reorganization advanced sufficiently to justify such course, and the Managers as they may deem necessary may defer the performance of any provision of the Plan and this agreement, or may commit such performance to the new Company.

They may also in their discretion set apart and hold in trust, or place in trust with any trust company, any part of the new securities to be issued and cash which may be received from sales of new securities, or otherwise, as they may deem judicious, for the purpose of securing the application thereof for any of the purposes of the Plan and this agreement.

Sixth. The Managers may from time to time make contracts with any person, syndicate or corporation for the purpose of carrying this agreement into effect and by loan, guaranty, or by the sale of the new securities to be created, or otherwise, on such terms, conditions and rates as said Managers may deem proper; may obtain any moneys required to carry out the Plan and this agreement, including such sums as the Managers may deem expedient to provide for the users of the new Company; and for the performance of any contract said Managers may charge the deposited securities and the new securities to be issued and may pledge the same for the payment of any moneys borrowed and interest thereon, and other performance of any other obligations incurred under the powers herein conferred. The Managers may employ counsel, agents and all necessary assistance, and may incur and discharge any and all expenses by them deemed reasonable for the purposes of this agreement. They may prescribe the form of all securities and of all instruments at any time to be issued or entered into. They may create and provide for all necessary trusts, and may nominate and appoint trustees thereunder, excepting that the Reorganization Committee shall make any appointment in lieu

of, or in succession to, George Siemens, and that the Protective Committee shall make any appointment in lieu of, or in succession to, August Belmont, prior to the actual reception of stock by the Voting Trustees. They may, at public or private sale, or otherwise, dispose of any bonds and Trust Certificates for stock of the new Company left in their hands because of any failure to make deposits hereunder. In so disposing of any such new securities thus left on their hands, they may use the same or the proceeds thereof for the purpose of carrying out the reorganization in such manner as they may deem expedient and advisable. At the time of the creation of the new securities, or as soon thereafter as may be, the Managers may take such action (either by creating lesser amounts of securities, or otherwise) as they may deem necessary to guard against the issue of such particular securities in any manner or to any extent inconsistent with the purposes of the Plan.

Seventh. Messrs. J. P. Morgan & Co., as Managers, shall act as a copartnership, and in case of any change in said firm, the firm of J. P. Morgan & Co., as from time to time constituted, shall continue as Managers, with all the powers, rights and title vested in the Managers hereunder. Neither the Committees nor the Managers nor the Depositaries assume any personal responsibility for the execution of the Plan, or of this agreement, or any part of either, nor for the result of any steps taken or acts done for the purposes thereof; the Managers, however, undertaking in good faith to endeavor to execute the same. No member of the Reorganization Committee, nor any Depositary, nor the Managers, shall be personally liable for any act or omission of any agent or employe selected in good faith, nor for any error of judgment or mistake of law, nor in any case except for his, its or their own individual wilful malfeasance or neglect; and no member of the Reorganization Committee shall in any case be personally liable for the act or omission of any other member, nor for the acts of any Depositary or of the Managers, nor shall any Depositary or the Managers be personally liable for the acts or defaults of the Reorganization Committee, or of any other Depositary, or of any Trust Company. The Managers may act through any committees or agents, and may delegate any authority, as well as discretion, to any such committee or agent, and the members of such com-

mittee or such agents may be allowed a reasonable compensation for their services hereunder, and the Managers shall be entitled to the compensation stated in the Plan. Any member of the Managers or Depositaries, or any member of either Committee, at any time, may be a Voting Trustee, and may be or become pecuniarily interested in any contracts, property or matters which this agreement concerns, including participation in or under any syndicate agreement, whether or not mentioned in the Plan. Any direction given by the Managers shall be full and sufficient authority for any action of the Depositaries or of any Trust Company or of any other custodian or of any committee or agent.

The Reorganization Committee shall be entitled to reasonable compensation. It may discharge any and all reasonable expenses by it incurred for any of the purposes of this agreement or of the agreement of February 19, 1894. Its accounts shall be filed with the Board of Directors of the new Company, and the same, as filed, shall be final, binding and conclusive upon all parties having any interest therein. The compensation of the said Reorganization and the Protective Committee and their expenses shall be paid as part of the expenses of the reorganization.

Eighth. The Managers may negotiate and contract with any and all companies or persons for obtaining or granting running powers, terminal facilities, exchanges of property, or any other convenience which they may deem necessary or desirable to obtain or to grant, and may make contracts therefor binding upon such new company, and generally may ratify and make such purchases, contracts, stipulations or arrangements as will, in their opinion operate directly or indirectly to aid in the preservation, improvement, development or protection of any property now constituting the Northern Pacific System, of which the Railroad Company or any subordinate company has contracted to acquire, or to prevent or avoid opposition to or interference with the successful execution hereof.

Ninth. The accounts of the Managers shall be filed with the Board of Directors of the new Company within one year after its organization shall have been completed, unless a longer time be granted by the said Board. The accounts, when approved by such Board of Directors, shall be final, binding and

conclusive upon all parties having any interest therein, and thereupon the Managers shall be discharged. The acceptance of new securities by any Depositor or any Assenting Certificate holder shall estop such acceptor from questioning the conformity of such securities in any particular to any provisions of the Plan; and the acceptance of new securities by the holders of a majority in amount of the Certificate of Deposit and Assenting Certificates for any class of securities shall in each case respectively estop all holders of Certificates of Deposit and Assenting Certificates for securities of that class.

Tenth. The enumeration of specific powers hereby conferred shall not be construed to limit or to restrict general powers herein conferred or intended so to be; and it is hereby distinctly declared that it is intended to confer on the Managers, and each Depositor hereunder and each Assenting Certificate holder hereby confers on the Managers, in respect of all securities deposited or to be deposited, or securities represented by Assenting Certificates, and in all other respects, any and all powers which the Managers may deem necessary or expedient in or towards carrying out or promoting the purposes of the Plan and this agreement in any respect, even though any such power be apparently of a character not now contemplated; and the Managers may exercise any and every power as fully and effectively as if the same were herein distinctly specified, and as often as, for any cause or reason, they may deem expedient. The methods to be adopted for or towards carrying out this agreement shall be entirely discretionary with the Managers.

The bonds and other obligations deposited under the Plan and this agreement, or represented by Assenting Certificates, and all Receivers' certificates, coupons and claims purchased or otherwise acquired under this agreement, shall remain in full force and effect for all purposes, and shall not be deemed satisfied, released or discharged by any delivery of new securities; and no legal right or lien shall be deemed released or waived, but said bonds and other claims, and any judgment upon any of such claims, including claims and judgments for deficiencies, and all liens and equities, shall remain unimpaired, and may be enforced by the Managers or by the new Company or by any or other assign of the Managers until paid or satisfied in

full or expressly released. Neither the Managers nor any bondholders or creditors of the Railroad Company, by executing this agreement, or by becoming parties thereto, release, surrender or waive any lien, right or claim in favor of any stockholders or other creditors of such Company, and all such liens, rights or claims shall vest unimpaired in the Managers and in the new Company, or its assigns, severally and respectively; and any purchase or purchases by or on behalf of the Managers, or the new Company, under any decree for the enforcement of any such lien, right or claim shall vest the property purchased in the Managers or the new Company free from all interest or claim on the part of any such stockholders, creditors or other parties. No right is conferred, nor any trust, liability or obligation (except the agreements herein contained in favor of the holders of Certificates of Deposit or Assenting Certificates hereunder) is created by the Plan and this agreement, or is assumed hereunder or by or for any new Company in favor of any bondholder, or any other creditor, or of any holder of any claim whatsoever against the Railroad Company, nor in favor of any company now existing or to be formed hereafter (whether such claim be based on any bonds, stocks, securities, lease, guaranty or otherwise), with respect to any securities deposited under this agreement or any moneys paid to, or received by Managers or by the Committee or Depositaries hereunder or with respect to any property acquired by purchase at any foreclosure sale, or with respect to any new securities to be issued hereunder, or with respect to any other matter or thing.

Eleventh. All moneys paid under or with reference to the Plan and this agreement shall be paid over by the Depositaries to the Managers, who shall as Bankers hold the same subject to application for any of the purposes of the Plan and this agreement as may be most convenient, and as from time to time may be determined by the Managers, whose determination as to the propriety and purpose of any such application shall be final, and nothing in the Plan shall be understood as limiting or requiring the application of specific moneys to specific purposes. Any obligation in the nature of floating debt or otherwise against any company or property embraced in the Plan, either as proposed or carried out, or any securities held as collateral for any such obligation, may be acquired or ex-

tinguished or held by the Managers at such times, in such manner and upon such terms as they may deem proper for the purposes of reorganization, but nothing in the Plan and this agreement contained is intended to constitute, nor shall it constitute, any liability or trust in favor or in respect of any such obligation.

Twelfth. All calls for the presentation of Certificates for stamping, for the deposit of bonds and stocks, for the payment to be made by depositing stockholders or for the surrender of Certificates; all notices fixing or limiting any period for the deposit of securities or for such payments, or for the presentation of Certificates for stamping, and all other calls or notices hereunder, except when otherwise provided, shall be inserted in the New York *Times* and the New York *Tribune*, or in two other daily papers of general circulation published in the City of New York; in the London *Times* and *News*, or in two other daily papers of general circulation published in the City of London; and in two daily papers of general circulation published in the City of Berlin; twice in each week for two successive weeks, beginning on any day of the week. Any call or notice whatsoever, when so published by the Managers or by the Deutsche Bank, shall be taken and considered as though personally served on all parties hereto, and upon all parties bound hereby, as of the respective dates of insertion thereof, and such publication shall be the only notice required to be given under any provision of this plan and agreement; and all German translations of the Plan and this agreement and of any call or notice thereunder shall be made under the direction or with the approval of the Deutsche Bank, and when so made shall be sufficient for publication in Germany; but, in case of any discrepancy between such translation and the English original, the latter shall control, and notwithstanding such discrepancy, shall bind all parties in interest. When a call or notice shall have been advertised as above specified in New York, or in London, or in Berlin, publication shall be complete as regards all holders of certificates of deposit and assented receipts issued or stamped by the Depositaries in the City in which such publication shall have been made, and no further publication shall be required in such city.

Thirteenth. The Plan and this agreement shall bind and benefit the several parties, including the Depositors hereunder, their and each of their survivors, heirs, executors, administrators, successors and assigns.

Fourteenth. In order fully to subject to every provision of the Plan and this agreement, all General Second, General Third and Consolidated Mortgage Bonds now or hereafter represented by Assenting Certificates of the Mercantile Trust Company, and to obtain therefor all benefits hereunder, the Mercantile Trust Company of New York becomes a party hereto, and each Assenting Certificate holder hereby confers upon it full power and authority, either with or without the termination of the said Bondholders' Agreement of February 19, 1894, to hold subject to the Plan and this agreement and to deliver to the Managers or upon their order, the bonds represented by any such Assenting Certificate, and full power and authority from time to time thereafter to make, execute and perform (such power and authority by it to be exercised when requested by the Managers) such further or other instruments, agreements and transfers as may be required hereunder in respect of any bonds represented by any such Assenting Certificates.

IN WITNESS WHEREOF, a majority of the Reorganization Committee, the Managers, The Mercantile Trust Company of New York, the Deutsche Bank and the Protective Committee have caused these presents to be duly executed, and all other parties hereto have deposited securities or, as above set forth, have assented hereto in respect of certificates of the Mercantile Trust Company.

EDWARD D. ADAMS, JOHN D. PROBST,
JOHN C. BULLITT, JAMES STILLMAN,
LOUIS FITZGERALD, ERNST THALMANN,
CHARLES H. GODFREY,

THE MERCANTILE TRUST COMPANY,
By LOUIS FITZGERALD, *President.*

J. P. MORGAN & CO., AUGUST BELMONT,
DEUTSCHE BANK, BRAYTON IVES,
By EDWARD D. ADAMS. GEORGE R. SHELDON,
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NORTHERN PACIFIC RAILWAY COMPANY

(A Wisconsin Corporation, formerly the Superior and St. Croix R. R. Co.)

CHARTER AND CERTIFICATES.

I.—*Wisconsin Legislation.*

II.—*Change of Name.*

III.—*Minnesota, North Dakota, Montana, Idaho, Washington and Oregon Proceedings.*

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PREFACE.

Soon after the institution of the foreclosure proceedings, it was determined that it would be necessary to reorganize the Northern Pacific Railroad Company under a new charter, to be obtained either from Congress or from some one of the States. Congressional legislation was considered doubtful, and the Reorganization Committee early took steps to secure a charter for reorganization under a State law.

In all the States in which any portion of the property is situated, the granting of charters by special act is prohibited, and corporate organization can only be effected under general laws. Such a constitutional amendment had been adopted in Wisconsin in November, 1871, but the Supreme Court of Wisconsin had several times decided that the amendment was prospective in its operation, and left the legislature at liberty to amend special charters granted prior to the adoption of the constitutional amendment.

It was considered preferable to secure a special charter, which should be open from time to time to special amendment, and it was determined that the charter of the Superior and St. Croix Railroad Company (a Wisconsin corporation) would be the best adapted for the purpose. This charter was acquired by the purchase of all of the stock of the Company, and was amended by special act (Chapter 244, Laws of 1895) of the legislature of Wisconsin, as hereinafter set forth.

As the reorganized company was to acquire the vast properties of the Northern Pacific Railroad Company, and to issue thereon a great amount of stock and bonds in order to carry out the plan of reorganization, it was thought prudent to leave unsettled no *possible* question, however technical, based upon non-user or upon any other ground, concerning the validity of the charter. To test the question, the Attorney-General of Wisconsin applied to the Supreme Court of that State for leave to file in the Court, according to the practice thereof, a bill in the nature of a *quo warranto* to forfeit the franchise on the ground of non-user. The case was fully argued, and on the 19th day of June, 1896, the Supreme Court unanimously decided that the corporation was not dissolved by non-user,

and that if any ground for forfeiting the charter had existed, it was waived by Chapter 244 of the Laws of 1895, amending the charter above referred to. So that before the purchase of the properties of the Northern Pacific Railroad Company and the increase of its capital stock and the provision for the issue of securities, the validity of the charter of the present Northern Pacific Railway Company (formerly Superior and St. Croix Railroad Company), by the unanimous decision of the highest court of the State, had become *res adjudicata*.

Mylrea, Attorney-General, vs. Superior & St. Croix R. R. Co., 67 N. W. Rep. 1138.

I.—Wisconsin Legislation.

CHARTER OF NORTHERN PACIFIC RAILWAY COMPANY

(Formerly Superior and St. Croix Railroad Company)
AND LAWS RELATING THERETO.

CHAPTER 326.

1. [Published April 6, 1870.]

AN ACT to incorporate the Superior and St. Croix Railroad Company.

The people of the State of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. That I. W. Gates, R. G. Coburn, E. W. Anderson, Jr., Hiram Hayes, S. H. Clough, Hiram Robbins, D. W. Maxon, John J. Tallmadge, H. L. Palmer, S. B. Dresser, O. S. Powell, and such other persons as may be associated with them who shall become stockholders in the association or corporation hereby created, in accordance with the provisions of this act, shall be and they are hereby created a body corporate and politic by the name and style of the Superior and St. Croix Railroad Company, and by that name shall have perpetual succession, be competent to contract and be contracted with, sue and be sued, implead and be impleaded, answer and be answered, defend and be defended in any court whatever. The said corporation may make, have and use a common seal, which it may alter or renew at pleasure; it shall be capable of acquiring by deed, lease or other conveyance, a fee simple or any less estate in lands, tenements or easements in the same, and of conveying any such estate or interest by deed, lease or other conveyance, or of holding such estate or interest, or any other estate necessary for the use of the said railroad, either real, personal or mixed, and shall have and enjoy all the privileges, franchises or immunities incident to a corporation, and may do and perform all and singular the acts and matters which to any corporation it shall lawfully appertain to do and perform for the well being of said corporation.

SECTION 2. The said company by this act created is hereby authorized and empowered to survey, locate, and from time to time alter, change and re-locate (so as not materially to change the route), and to construct and complete, perpetually to have, use and enjoy, maintain and operate the said railroad with one or more tracks or lines, over and along the following routes, that is to say: beginning at some convenient point on the west shore of the bay of Superior, or on the south shore of the bay of St. Louis, in the county of Douglas, running thence southerly by a route as direct as may be practicable, through the counties of Douglas, Burnett, Polk, St. Croix and Pierce via St. Croix Falls and Hudson to Prescott, with a branch or extension running westerly from the above-designated place of beginning in Douglas county to such a point in the Minnesota boundary north of the Nomadji river as may be deemed desirable by the directors of said railroad company.

SECTION 3. The company hereby created shall have the perpetual right, power and authority to transport, take and carry property and persons upon said railroad by steam or other power, and to receive and store away any property in any of its depots or other buildings, and to make, construct, maintain and use all such switches, turnouts, side tracks, as it shall deem necessary, and also to construct, erect and maintain all such depots, station houses, warehouses, car houses and shops, engine houses and all other buildings, fixtures and things for the accommodation of said company and its roads, and those using the same. And said railroad company shall have power to connect its road with any other railroad, and to operate the same, or to run in connection with any such railroad in such manner as may be agreed upon between the boards of directors of this company and any such railroad. And any railroad company or association having a railroad built or partly built, running in the direction of the line of railroad which the railroad company hereby created is authorized to construct and operate, which this company by this act created shall agree to use or connect with, is hereby authorized to make such lease or sale to this company or corporation, perpetually or for a limited time, of the whole or any part of their railroad so constructed or partly constructed, together with the rolling stock, machinery, buildings, tenements or fix-

tures, and all other property, real, personal or mixed, of the said company or association, together with its franchises, rights, privileges and immunities, or to sell the same, and in consideration of such lease or sale, to take or receive such rents or payments as may be agreed upon.

SECTION 4. The said company shall have the right, authority and power and it is hereby authorized and empowered to construct its railroad aleng and upon, across, under or over any public or private highway, roads, streets, plankroad or railroad if the same shall be necessary, but the said company shall put such highway, road, street, plankrodd or railroad in such condition and state of repair as not to impair or interfere with the free and proper use, and also to erect and maintain all necessary bridges for the use of their railroad over any stream of water or water course at such points of crossing the same as said road may be located, with all necessary abutments, piers, arches and foundations.

SECTION 5. It shall be lawful for the company hereby created, and it shall have the right, power and authority by its officers, engineers, agents, servants and workmen to enter upon any land for the purpose of exploring, surveying, locating and determining the routes of said railroads; and when the said routes or any portion thereof shall be determined by resolution adopted by its board of directors, it shall be lawful for said company, and it shall have the right, power and authority by its officers, engineers, agents, contractors, surveyors, servants and workmen, at any time to enter upon, take, possess, occupy and use any land along and including the line of said route, not exceeding one hundred feet in width. It shall also be lawful for said company, and it shall have the right, power and authority, at any time to enter upon, take, possess and occupy and use any other lands beyond said limits of one hundred feet, which the directors shall by resolution adopted by them (a copy of which shall be recorded at the expense of said company, in the office of the register of deeds, in the county in which said lands are located), declare to be necessary for the use of said company, for the purposes of erecting depot buildings, station houses, machine shops, freight houses, warehouses, engine houses or buildings or fixtures of any kind, or ground about the same for the convenient oper-

ation of the road, or for making drains or giving proper direction to water courses, or of directing or changing the channel of water courses, or for the purpose of removing such substances or things as may endanger, obstruct or interfere with the free use of said road, or for the purpose of depositing earth, gravel, stone, timber or other material for embankments, structures or superstructures necessary to the construction, repair or removal of said road. Said company shall however, at such time and in such manner as is provided by and in this chapter and act, be liable to pay the full value of all earth, gravel, stone, timber and land which may be so as aforesaid taken, possessed, occupied and used for any of the purposes aforesaid, which is the private property of either persons or corporation, which value (unless the owner thereof and said company shall agree as to the same) shall be ascertained and determined in the manner hereinafter provided; and whenever the same shall have been paid, tendered or deposited as provided in this act, an estate in and to all and every such lands in fee simple, absolute forever shall be and become vested in said company by virtue thereof, and of the provisions of this act, and by the same means a complete title shall vest in said company in and to all such earth, gravel, stone and timber; and whenever said company shall deem that such property or any part or portion of such property shall no longer be necessary for the purposes for which the same were taken, it is hereby authorized and empowered by deed or other instrument in writing, to lease or sell the same or any part thereof.

SECTION 6. On the completion of said road or any part thereof, it shall be lawful for said company, and it is hereby authorized and empowered to demand and receive such sum or sums of money for the transportation of persons and of property, and for the storage of property, as it shall from time to time deem reasonable.

SECTION 7. Said company hereby created shall also have full power and authority to transport persons and property in boats, vessels, barges and other water-craft on any of the navigable waters which its said railroad or roads run to or connect with, and to receive and collect reasonable compensation for the same, and for that purpose may build or purchase, own

and use such boats, vessels, barges and other water-crafts as it may require.

SECTION 8. The company hereby created shall be capable in law of taking and holding any land granted to it by the government of the United States or of this state, or by individuals or corporations, to aid in the construction of its road, and may also pledge, mortgage or otherwise dispose of all their rights, title and interest in and to said lands, and in any other estate, real, personal or mixed, of which they may be seized at the time of the execution of such mortgage, or which they may acquire subsequently thereto, in such manner and on such terms as the directors may think proper.

SECTION 9. All the affairs of said company shall be managed by a board of directors, who shall be stockholders, and who are hereby invested with all the powers of the corporation. They shall be chosen annually by ballot, by the stockholders, at the annual meeting of the company, which shall be held on such notice and at such time as shall be prescribed by the by-laws, and at such place as shall be prescribed by the board of directors and stated in such notice. At all meetings of the stockholders, every stockholder shall be entitled to one vote for each share of stock held by him or her and may vote in person or by proxy duly authorized; and no business shall be transacted at any meeting of the stockholders unless a majority of the stock subscribed is represented. In all elections of directors those stockholders equal to the number to be elected having the greatest number of votes shall be deemed and declared duly elected. The elections shall be conducted in such manner as shall be prescribed by the by-laws of the company; and if from any cause an election of directors shall not be had at the time when, by the provisions of this act or of the by-laws, it should be had, the same may be held at any other time, on notice to be given as aforesaid; and until such election be had the directors of the preceding year shall continue to act, and the corporation hereby created shall not forfeit or lose any of its privileges, franchises or immunities for a less period than ten consecutive years. The board may at any time increase or diminish the number of directors to be elected at the next annual meeting of the stockholders, and

the number to be elected shall be specified in the notice of election, but shall never be less than five or more than eleven.

SECTION 10. A majority of the board of directors shall constitute a quorum for the transaction of any business. They shall meet at such times and places, and be convened in such manner as they shall decide upon. They shall elect one of their own number to be president, and one to be vice president. The president shall, when present, preside at all meetings of the board and of the stockholders, and when absent the vice president shall discharge the duties of the president, and when both are absent the directors may appoint a president *pro tem.* The board of directors shall have power to appoint an executive committee, and prescribe its powers and duties; to appoint a secretary, treasurer and such engineers, superintendents, agent and other officers as they may deem necessary, and remove them at pleasure; prescribe their duties and compensation, and may demand adequate security for the discharge of their respective duties and trusts.

SECTION 11. The persons named in the first section shall be the first directors, and shall hold their offices until the first Wednesday of May, A. D. 1871, and until others are chosen in their places, and in case of a vacancy in the directors by reason of the death or resignation of any director, or of his ceasing to be a stockholder, it may be filled by the remaining directors, until the next annual election, or until some other person shall be elected to fill the same. The directors herein named may appoint three persons who shall be stockholders, to be inspectors at the first election, after which the stockholders shall choose three such inspectors at the annual elections. If no inspectors are chosen, the directors may appoint three from time to time. If at any time an election of directors shall not take place on the day appointed by this act, the corporation shall not for that cause be dissolved, but an election may be held on another day, in such manner as shall be prescribed by the directors, or provided for by the by-laws.

SECTION 12. The said company shall have authority and power, and it is hereby authorized and empowered in its corporate capacity to borrow any sum of money from any person or persons, corporation or body politic of any kind, and to make, execute and deliver all necessary writings, notes, bonds,

mortgages or other papers and securities in amount and kind, as may be deemed expedient by said corporation in consideration of any such loan, or in the discharge of any liabilities that it may incur in the construction, repair, equipment or running of said road; and the powers of said corporation for the purposes aforesaid, and for all purposes necessary to carrying out the objects of said company, viz.: the construction of a railroad from and to the points aforesaid, are hereby ratified and confirmed, and the contracts and official acts of said company declared binding in law and equity upon said corporation and upon all other parties to such contracts. Said company shall also have authority and power, and it is hereby authorized and empowered in its corporate capacity to make, execute, issue and deliver its bonds and obligations from time to time, and at any time, in such an amount that all the bonds of said company outstanding at any one time will not exceed the amount of the capital stock of said company. The directors of said company are hereby authorized and empowered to prescribe by resolution to be by them adopted, the sum or sums for which each of said bonds shall be issued, the time or times and place or places when and where the principal and interest of the same shall be payable, and whether payable to order or to bearer, or how otherwise negotiable, the rate of interest which such bonds shall bear and the manner and form in which the interest coupons annexed to them shall be executed; and to secure the payments of any or all of such bonds, the said corporation is hereby authorized and empowered, in its corporate capacity, to make, execute and deliver a mortgage or deed of trust upon the whole or any part of its railroad, constructed or authorized to be constructed, and of any or all of its estate, real, personal or mixed, in possession or expectancy, owned and acquired, or to be thereafter owned and acquired by said corporation; and the said company is also hereby authorized and empowered, in and by such mortgage or deed of trust to confer upon the trustees or mortgagees, full and ample powers to enter into and upon, and to take possession of, have, use and enjoy, or to sell and dispose of the whole or any part of said railroad or its estate, together with the functions appertaining to said railroad, and all corporate and other franchises, rights and privileges of said corporation; and the directors of said

company are hereby authorized and empowered to prescribe by resolutions to be adopted by them, all matters relating to the form and terms of any such mortgage or deed of trust, and of its execution and delivery; and they are authorized to provide for the periodical payments to such trustee or receiver as they shall appoint, a certain sum to create a sinking fund, with which to pay off or discharge at or before maturity any or all of the bonds by them authorized to be issued; and also to provide the manner in which such trustee or receiver shall pay out or dispose of said sinking fund, and to authorize him to designate by lot or in any other suitable manner, the bond or bonds to the payment of which such sinking fund or any part of it shall be applied, and the said board of directors are hereby authorized and empowered to sell, pledge, hypothecate or otherwise dispose of, either for money, work or material to be used in the construction and equipment of said railroad, all or any portion of such mortgage, bonds or other securities or bonds received from any county, town, village or city at par or at such price less than par as the said directors may by resolution, to be by them adopted, deem advisable; any such mortgage or deed of trust and every discharge or satisfaction thereof may be recorded in the office of the secretary of state in a proper book kept for that purpose, and the certificate of such recording endorsed on such mortgage or deed of trust, shall have the same effect as if such mortgage or deed of trust was recorded in the several counties through which such road may run, and such record in the office of the secretary shall be sufficient notice to all persons.

SECTION 13. The company hereby created shall for all and every of the lands and property which it shall appropriate, take, possess, occupy or use (unless the same be donated to them), pay the value thereof, at the time and in the manner herein provided; and such value shall be ascertained, fixed and determined by mutual agreement between the said company and the owners of such land and property, respectively, or by and through the medium and appraisement and determination or award of commissioners appointed as hereinafter provided.

SECTION 14. When the said corporation shall not agree with the owner or owners of such required land for the purchase

thereof, or as to the compensation to be paid therefor, or when by reason of the legal incapacity or of absence of such owner or owners no such agreement can be made, then and in that case it shall be lawful for any judge of the supreme, circuit or county courts of this state on application of the said company, or the owner or owners of any such land, and at the cost and charge of said company, to appoint three disinterested persons residing in the county through which the said road runs, whose duty it shall be to view and examine the lands so taken, with the buildings and improvements if any thereon, and to estimate the value of the lands so taken and required by said company, and all the damages which the owner or owners thereof shall sustain or may have sustained by reason of the taking of the same for the construction and use of said road or works appertaining thereto. And it shall be the duty of said company or of the owner or owners aforesaid, as the case may be, to give three weeks' notice of their application to the judge of the supreme, circuit or county courts for the appointment of said commissioners, to be published for three successive weeks in a newspaper published (if there by any) in the county in which such land may be situated, and the affidavit of the printer or publisher shall be sufficient legal evidence of such publication; and the persons so appointed, before entering upon the discharge of such duties, shall take an oath before some justice of the peace or other person, competent by law to administer oaths, faithfully and to the best of their ability to examine the lands so taken or required by said company, and impartially to estimate and appraise the value of the same, and the damage or injury which the owner or owners thereof shall have sustained or may sustain by reason of the taking and use thereof by said company, whereupon such commissioners shall proceed to examine the premises and estimate the value of such land, and the amount of damage, and they or a majority of them shall make a report in writing of such valuation, under their hands and seals to the circuit court of the county where the land lies, and shall return the same within ninety days after their appointment, to the clerk of the circuit court of the county where they reside, and it shall be the duty of the said clerk to immediately file the same; and in case no appeal shall be made within thirty days after the filing of the

said report, as hereinafter provided, then the said clerk shall record the same at the expense of said company, and judgment of the said court shall be entered thereon on motion of either party at any term of said court: *provided,* that either party may appeal to said court within thirty days after said report shall have been filed in the clerk's office, and such appeal shall be tried in the same manner as other issues on trial in said court; and the jury empaneled to try the same shall find the value of the land so taken as required by said company, and the damages which the owner or owners thereof shall have sustained by the taking of the same and the judgment of the said court shall be entered accordingly: *provided, also,* that it shall not be lawful for the said commissioners or said court to proceed in the assessment of damages, or in the valuation of any lands or materials as aforesaid in the absence of the owner or owners, his, her or their agents or attorneys, unless it be shown to them by competent testimony that the said owner or owners shall have had at least five days' notice of the time and place at which such assessment or valuation was to be made, or that the said owner or owners are absent from the state of Wisconsin; and if the said owner or owners shall be minors or *non compos mentis,* or absent from the state, the service of notice may be made on the guardian or trustee if there be any, or in such manner as the court may direct: *provided, also,* that upon the making and filing of the report as aforesaid, and payment in legal tender of the amount of any valuation or appraisal specified therein, to the owner or owners of any such lands, his, her or their legal representatives on payment thereof into the circuit court of the county in which such land shall be situated, for the owner or owners thereof, the said company, their agents, or the contractor for making or repairing said railroad may immediately take and use the same without awaiting issue of any appeal brought thereon; *and provided also,* that in case of an appeal as aforesaid by the owner or owners of such land, the said company immediately on notice of the perfection of such appeal shall pay into court to abide the judgment therein the amount awarded by such commissioners; and in case of any appeal by the company it shall be the duty of such company to execute a bond with sufficient surety, to be approved by the court, conditioned to

pay any judgment that may be rendered therein, and to abide by the order of the court in the premises; such bond shall be filed at the time of entering the appeal, and in case of neglect or refusal, unless further time so to do shall have been granted by the court, the appeal may be dismissed on motion. Whenever any judgment shall have been entered as herein provided, for the value of any lands, or for any damages for taking and using the same, and the amount specified in such judgment shall have been paid or tendered to the owner or owners of such lands, his, her or their legal representatives, the said company shall be entitled to the estate and interest in the same, as fully as if it had been conveyed in fee simple; and if such valuation be not received when tendered, it may at any time thereafter be received, or may be collected from said company by action at law, at the cost and expense of the person or persons entitled to the same: *provided*, that the costs of any proceedings and judgment specified in the last preceding section shall be taxed by the court and paid by such company, except in cases when upon appeal the verdict of the jury shall be for the same or for a less sum than that reported by the commissioners.

SECTION 15. The capital stock of the company hereby created shall in the first instance be five millions of dollars, which capital stock may be increased to any sum not exceeding ten millions of dollars; the said capital stock to be divided into shares of one hundred dollars each.

SECTION 16. The several counties, towns, villages and cities upon or contiguous to the line of the said road by this act authorized to be constructed, as the same may hereafter be located and established, are, and each of them is hereby authorized to aid in the construction of said railroad, by subscribing to the stock of the company and paying for the same in money, and levying a special tax to raise money for that purpose, or by issuing bonds to said company in payment for said stock, and levying taxes to pay the interest as it accrues upon said bonds, and to establish a sinking fund for the gradual redemption and ultimate full redemption of said bonds at maturity; and for these purposes the boards of supervisors or officers of such counties or towns; the boards of trustees of such villages and the common council of such cities, respectively and severally,

shall have power to negotiate and arrange the terms and conditions upon which such aid shall be granted; to enter into all proper contracts with said company in relation to the same, and to adopt such ordinances and regulations pertaining thereto, or to the taxes to be levied under this act, as may be expedient and proper and consistent with law: *provided*, that before any such aid shall be granted or contracted for by any such county, town, village or city, the question of granting the same shall be submitted to a vote of the electors thereof, respectively, as hereinafter provided.

SECTION 17. Whenever the president and secretary of the said Superior and St. Croix Railroad Company shall certify under their hands and the seal of the said company to the authorities of any such county, town, village or city, that the route of said railroad has been located through or contiguous to said county, town, village or city, it shall be the duty of the authorities thereof, hereinbefore mentioned, to call a special election to determine the question whether aid shall be granted to said company in the manner prescribed in the preceding section of this act. Such election shall be called, notice thereof shall be given, the form of ballots shall be prescribed and all regulations relating to the same be determined by the proper authorities hereinbefore mentioned of such counties, towns, villages and cities, so that the question be fairly submitted to a vote of the electors. In case at any such election the majority of votes shall be against granting such aid, the proper authorities may afterwards, in their discretion, call another election upon the same subject, and the same shall be conducted in a like manner.

SECTION 18. If at any election authorized by this act, any such county, town, village or city shall vote in favor of granting such aid by a majority of the votes cast at such election, then the authorities thereof shall have and exercise, in their discretion, the powers conferred upon them by the preceding sections of this act, and all contracts made by them by virtue thereof, shall be valid and enforceable according to the true intent and meaning thereof.

SECTION 19. The several counties, towns, villages and cities, which shall subscribe for the stock of said company, as authorized by this act, are hereby authorized severally to own, con-

trol and dispose of the same in the same manner as an individual might do, and to vote upon the same by agent duly authorized, at an election held by the stockholders of the said company.

SECTION 20. All property which the company hereby created is authorized to appropriate, take, possess, hold or use, by making payment therefor, is hereby declared to be taken for public use as soon as the company shall so appropriate, take, possess, hold or use the same.

SECTION 21. It is hereby declared that in the judgment of the legislature of this state, the objects of the corporation hereby created cannot be attained under the general laws.

SECTION 22. This act is hereby declared to be a public act, and the same immediately after the passage thereof, shall be printed by the state printer, and be in full force and effect from and after its passage.

Approved March 15, 1870.

CHAPTER 2.

2. [Published 1871.]

AN ACT to amend chapter 326 of the private and local laws of 1870, entitled "An act to incorporate the Superior and St. Croix Railroad Company."

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. Section one of chapter 326 of the private and local laws of 1870 is hereby amended so as to read as follows: "F. W. Gates, R. G. Coburn, E. W. Anderson, Jr., Hiram Hayes, S. H. Clough, Hiram Robbins, D. W. Maxon, John J. Talmadge, H. L. Palmer, S. B. Dresser, O. S. Powell, James Edwards and Peter E. Bradshaw, and such other persons as may be associated with them, who shall become stockholders in the association or corporation hereby created in accordance with the provisions of this act, shall be and they are hereby created a body corporate and politic by the name and style of the Superior and St. Croix Railroad Company, and by that name shall have perpetual succession, be competent to contract

and be contracted with, sue and be sued, implead and be impleded, answer and be answered, defend and be defended, in any court whatever. The said corporation may make, have and use a common seal; which it may alter or renew at pleasure; it shall be capable of acquiring by deed, lease or other conveyance a fee simple or any less estate in lands, tenements or easements in the same, and of conveying any such estate or interest by deed, lease or other conveyance, and of holding such estate or interest, or any other estate necessary for the use of the said railroad, either real, personal or mixed, and shall have and enjoy all the privileges, franchises and immunities incident to a corporation, and may do and perform all and singular the acts and matters which to any corporation it shall lawfully appertain to do and perform for the well being of said corporation.

SECTION 2. Section eleven of said chapter is hereby amended so as to read as follows: The persons named in the first section shall be the first directors, and unless sooner superseded by an election of directors at the first annual meeting of the company, shall hold their offices until the first Wednesday of May, A. D. 1871, and until others are chosen in their places; and in case of vacancy in the directors, by reason of the death or resignation of any director, or of his ceasing to be a stockholder, it may be filled by the reamining directors until the next annual election, or until some other person shall be elected to fill the same. The directors herein named may appoint three persons, who shall be stockholders, to be inspectors at the first election, after which the stockholders shall chose three such inspectors at the annual election. If no inspectors are chosen, the directors may appoint three from time to time. If at any time an election of directors shall not take place on the day appointed by this act, the corporation shall not for that cause be dissolved, but an election may be held on another day, in such manner as shall be prescribed by the directors, or provided for by the by-laws.

SECTION 3. That act shall take effect and be in force from and after its passage.

Approved January 20, 1871.

CHAPTER 328.

3. [Published 1871.]

AN ACT to amend section 2, chapter 326, of the private and local laws of 1870, approved March 15, 1870, entitled "An act to incorporate the Superior and St. Croix Railroad Company."

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. Section two of said act is hereby amended so as to read as follows: Section 2. The company by this act created are hereby authorized and empowered to survey, locate and from time to time alter, chage and re-locate (so as not materially to change the route), and to construct and complete, perpetually to have, use and enjoy, maintain and operate the said railroad with one or more tracks or lines, over and along the following routes, that is to say: beginning at some convenient point on the west shore of the bay of Superior, or on the south shore of the bay of St. Louis, in the county of Douglas, running thence southerly by a route as direct as may be practicable, through the counties of Douglas, Burnett, Polk, St. Croix and Pierce via St. Croix Falls and Hudson to Prescott, with a branch or extension running westerly from the above designated place of beginning, in Douglas county, to such point on the Minnesota boundry, north of the Nemadji river, as may be deemed desirable by the directors of said railroad company; *provided* said company shall have the right to construct its line of road along the westerly shore of the bay of Superior, from the extreme end of Connors' Point to the southerly end of said bay, or such point thereof as may be deemed desirable by the directors of said railroad company, and shall have the authority to construct and maintain a bridge across the St. Louis river at any point at or above Connors' Point in said county of Douglas, whenever the same shall be assented to by resolution of the board of supervisors of the town of Superior.

SECTION 2. This act shall be in force after its passage and publication.

Approved March 16, 1871.

[No. 400, S.] [Published April 19, 1895.]

4. CHAPTER 244.

AN ACT to amend chapter 326, of the private and local laws of 1870, entitled "An act to incorporate the Superior and St. Croix Railroad Company," and chapter 328, of the private and local laws of 1871, entitled "An act to amend section 2, chapter 326, of the private and local laws of 1870," approved March 15, 1870, entitled 'An act to incorporate the Superior and St. Croix Railroad Company'."

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. Section 2, of chapter 326, of the private and local laws of 1870, entitled "An act to incorporate the Superior and St. Croix Railroad Company," as amended by chapter 328, of the private and local laws of 1871, entitled "An act to amend section 2, chapter 326, of the private and local laws of 1870," approved March 15, 1870, entitled "An act to incorporate the Superior and St. Croix Railroad Company," is hereby amended so as to read as follows:

SECTION 2. The said company is hereby authorized and empowered to survey, locate and construct, and to acquire, by purchase or otherwise, and to equip, maintain, operate, and perpetually to have, use and enjoy, a railroad or railroads, with one or more tracks, from a point or points on the bay of Superior, at the west end of Lake Superior, in Douglas county, Wisconsin, to be selected by the board of directors, upon such route or routes as such board shall adopt, to such point or points on the Minnesota state line, as such board shall select, and thence westward upon such route or routes as said board shall adopt, to such point or points on the Pacific coast as such board shall select; and from said point or points in Douglas county easterly, upon such route or routes as said board shall adopt, to or near Ashland, in the county of Ashland, in the state of Wisconsin, and thence by such route or routes and to such point or points in the state of Michigan, as such board shall select; also from said point or points in Douglas county, upon such route or routes as said board shall adopt, through the counties of Douglas, Burnett, Polk, St. Croix and Pierce, or any of them, to Prescott, on the Mississippi river, with a

branch from some point in one of said counties, to be selected by the board of directors, to St. Paul and Minneapolis, Minnesota, or to either of said places; also from said point or points in said Douglas county, or from some point to be selected by such board on any railroad or railroads which the said company is or hereafter may be authorized to construct or otherwise acquire, upon such route or routes as such board shall adopt, through the states of Wisconsin and Illinois to or into the city of Chicago, in the county of Cook, in said last named state. And the said company is further authorized and empowered to survey, locate, construct, and to acquire, by purchase or otherwise, and to equip, maintain and operate, and perpetually to have, use, possess and enjoy, branch lines of railroad from its main line or lines in and into or through any state or territory of the United States, or extending into or lying within the dominion of Canada, or any portion or province thereof, from and to such points as shall be determined by such board of directors.

SECTION 2. Section 3, of said chapter 326, is hereby amended so as to read as follows:

Section 3. The said company shall have the perpetual right, power and authority to transport, take and carry property and persons upon such railroad or railroads, by steam and other motive power and to receive and store any property in any of its depots or other buildings, including elevators, and to make, construct, maintain, acquire and use all such switches, turnouts, side-tracks, spur and other tracks as it shall deem necessary; and also to construct, erect, acquire and maintain all such depots, station houses, warehouses, car houses, shops, engine houses, elevators and other buildings, fixtures, structures and things necessary or convenient for use by said company in the operation of its railroads and in the transaction of its business as a carrier of freight and passengers. And said company shall have power to connect its railroad or railroads with any other railroad or railroads, and to operate the same under lease or otherwise, or to run in connection with any such railroad or railroads, in such manner as may be agreed upon between the board of directors of said company and the board of directors of the company or companies owning or operating

any such connecting railroad or railroads. And any railroad company, person, association or corporation having a railroad or railroads, constructed or partly constructed, running in the direction of the line or lines of railroad which the said company is by this act or may hereafter be authorized to construct, acquire and operate, which said company shall agree to use or connect with, is hereby authorized to make to said company (created by said chapter 326) a lease, sale or trackage arrangement, perpetual or for a time limited, of the whole or any part of said railroad or railroads so constructed or partly constructed, together with the rolling stock, machinery, buildings, tenements or fixtures, and all property, real, personal or mixed, of the said railroad company, person, association or corporation, together with its or their franchises, rights, privileges and immunities, and in consideration of such lease, use or sale, to take or receive such rent, commutation of rental, payment or other consideration as may be agreed upon.

SECTION 3. Section 4, of said chapter 326, is hereby amended so as to read as follows:

Section 4. Said company shall have the right, authority and power, and it is hereby authorized and empowered, subject to the provisions of section 1836, of the revised statutes, to construct, maintain and operate its railroad or railroads across, along or upon any stream of water, water-course, street, highway, plank-road, turnpike or canal which its route or routes shall intersect or touch; to carry any highway, street, turnpike or plank-road which it shall touch, intersect or cross over or under its tracks, as may be most expedient for the public good; to change the course and direction of any highway, street, turnpike or plank-road, when made necessary or desirable to secure more easy ascent or descent by reason of any embankment or cut made in the construction of its railroad or railroads, and to take land necessary therefor; provided, such highway or road be not so changed from its original course more than six rods, nor its distance thereby lengthened more than five rods. And the said company shall also have power, and it is hereby empowered to cross, intersect, join and unite its railroad or railroads with any railroad now or hereafter constructed, at any point on its route, and upon the grounds of such railroad corporation, with the necessary turnouts, sid-

ings and switches or other conveniences, in furtherance of the objects of its connection. And the said company shall also have power, and it hereby is empowered, to erect, purchase and maintain all necessary bridges for the use of its railroad or railroads, main and branch, over any stream of water or water-course, at such point or points of crossing the same as said railroad or railroads may be located or constructed, together with all necessary abutments, piers, arches, foundations and other structures.

SECTION 4. Section 5 of said chapter 326, is hereby amended so as to read as follows:

Section 5. It shall be lawful for the said company, and it is hereby authorized and empowered, by its officers, engineers, servants and workmen to enter upon any land or lands for the purpose of exploring, surveying, locating and establishing the route or routes of said railroad or railroads; and when the said route or routes, or any portion thereof, shall be determined, by resolution adopted by its board of directors, it shall be lawful for said company, and it is expressly authorized and empowered, to purchase and hold such land or lands for right of way, side-tracks, spur-tracks, water tanks, construction of road-bed and maintenance of same, station houses, warehouses, elevators, engine houses, shops, and for such other purposes as may be necessary, usual or convenient for the operation of said railroad or railroads, or in connection therewith, and whenever said company cannot agree with the owners and other parties interested in any such land upon the price to be paid therefor, or for the occupation thereof, or for any interest therein, it shall have the right, and it is hereby expressly authorized and empowered, to acquire the same by condemnation proceedings, to the extent and in the manner provided by sections 1845 to 1856, inclusive, of the revised statutes of 1878.

SECTION 5. Section 6, of said chapter 326, is hereby amended so as to read as follows:

Section 6. Upon the completion or acquisition of said railroad or railroads, or any part thereof, it shall be lawful for said company, and it is hereby authorized and empowered, to demand, collect and receive such sum or sums of money for the transportation of persons and property, and for the storage of property, as shall be reasonable.

SECTION 6. Section 7, of said chapter 326, is hereby amended so as to read as follows:

SECTION 7. Said company shall also have full power, and it is hereby expressly authorized, to carry and transport persons and property in boats, steamships, vessels, barges and other water craft upon any of the navigable wates which its railroad or railroads shall run to, over or connect with, and to demand, receive and collect such compensation for the same as it shall from time to time deem reasonable, and for that purpose the said company is authorized and empowered to build, lease, purchase, own and use, either directly or through a corporation or corporations organized by it or otherwise for the purpose, and whose stock in whole or in part it shall own, such boats, steamships, vessels, barges and other water craft as in its judgment may be necessary or convenient for its use.

SECTION 7. Section 8, of said chapter 326, is hereby amended so as to read as follows:

Section 8. The said company shall be capable in law of taking, holding and selling any lands granted to it, or to any company whose property it shall acquire, by purchase or otherwise, by the government of the United States, or by this state, or by any state or territory through or in which it shall acquire in any manner, and operate, any railroad or railroads, wherever the said lands may be situated, or by grant by persons, companies, corporations or associations, within or without this state, to aid in the construction or operation of any railroad or railroads by it constructed or otherwise acquired, or authorized to be by it constructed or acquired; and the said company may also pledge, hypothecate, mortgage or otherwise dispose of all its right, title and interest in and to said lands, or any part thereof and in and to any other estate, real, personal or mixed, of which it, the said company, may be seized at the time of the execution of any mortgage or deed of trust, or of which it may become seized subsequent to the execution and delivery of any such instrument or instruments, including its franchise to be a corporation and to own, maintain and operate such railroad or railroads; and the said company may sell or lease any of its branch roads, however acquired, whenever it shall be declared by resolution of the board of directors, sub-

ject to the approval of the holders of record of a majority of the outstanding capital stock, that the interests of the company and its stockholders will be thereby subserved.

SECTION 8. Section 9, of said chapted 326, is hereby amended so as to read as follows:

Section 9. All of the affairs of said company shall be managed by a board of directors, who shall be stockholders, and who are hereby invested with all the powers of the corporation, save as hereinafter provided. They shall be chosen annually by ballot by the stockholders at the annual meeting of the company, which shall be held on such notice, and at such time, as shall be prescribed by the by-laws, and at such place, within or without the state, as shall be prescribed by the board of directors, and stated in such notice. At all meetings of the stockholders each stockholder shall be entitled to one vote for each share of stock held by him, under such conditions and regulations as may be prescribed or referred to in the certificates thereof, and may vote the same in person or by proxy duly authorized, and no business shall be transacted at any meeting of the stockholders unless a majority of the stock subscribed and outstanding is represented. In all elections of directors those stockholders having the greatest number of votes shall be deemed and declared duly elected. Elections shall be conducted in such manner as shall be prescribed by the by-laws of the company, and if for any cause an election of directors shall not be had at the time when by the provisions of this act or by the by-laws it should be had, the same may be held at any other time, on notice to be given as aforesaid, and until such election be had the directors of the preceding year shall continue to act, until their successors are duly elected and qualified. The company may at any time increase or diminish the number of directors to be elected at the next annual meeting of the stockholders, and the number to be elected shall be specified in the notice of meeting, but shall never be less than five nor more than seventeen; and the said company may by a vote of a majority of the stockholders, present or represented at any annual meeting, classify its directors into three classes, each of which shall be composed as nearly as may be of one-third of the directors, the term of office of the

first class to expire in one year, of the second in two years, and of the third in three years. At each annual election thereafter a number of directors shall be elected for three years equal to the number whose term of office shall then expire. All vacancies shall be filled in accordance with the by-laws.

SECTION 9. Section 10, of said chapter 326, is hereby amended so as to read as follows:

Section 10. A majority of the board of directors shall constitute a quorum for the transaction of any business. They shall meet at such times and be convened in such manner as the by-laws shall prescribe, and at such places as the board shall decide upon. Whenever all the members of the board of directors are present at any meeting it shall be competent for them, having signed upon the minutes a waiver of notice of meeting, to transact business as fully to all intents and purposes as if the said meeting had been duly convened pursuant to notice. They shall elect one of their own number to be president, and one to be vice-president, and they may elect additional vice-presidents, and such other officers of the board, and impose upon them such duties, and confer upon them such powers, as the board may by resolution prescribe. The duties of the president and other officers at meetings of the board and stockholders shall be prescribed by the by-laws. The board of directors shall have power to appoint an executive committee, and to confer upon and to delegate to said committee the full power of the board of directors when the latter is not in session; and the board may appoint a secretary, treasurer, comptroller and such other officers and agents as it may deem necessary, and it may remove them at pleasure, prescribe their duties and compensation, and may demand adequate security for the discharge of their respective duties.

SECTION 10. Section 11, of said chapter 326, is hereby amended so as to read as follows:

Section 11. The capital stock of said company may be increased from time to time to such an amount as may by its stockholders be deemed necessary for the construction, acquisition or operation of any of its railroad or railroads, by a vote of the owners of record of at least a majority of all its

outstanding stock, in person or by proxy, at any annual meeting, or at any meeting called for that purpose, by a notice in writing to each stockholder, to be served upon him personally, or by depositing the same in the postoffice, postage paid, properly directed to him at the postoffice nearest his usual place of residence, at least twenty days prior to such meeting. Such notice shall state the time and place of such meeting, its object, and the amount to which it is proposed to increase such capital stock. No vote in favor of such increase shall take effect until the proceedings of such meeting, showing the names of the stockholders voting therefor, and the amount of stock owned by each, shall be entered upon the records of said corporation, and the said company may at any such time, by a vote of the holders of record of two-thirds of said outstanding stock, classify its said stock into common and preferred; and it may further classify its said stock by dividing its preferred into different classes and it may make any or all of said classes of preferred stock cumulative or non-cumulative as to dividends thereon, and any or all of said preferred stock may be with or without preference over any other stock or classes of stock in the event of the liquidation of the company's affairs, either through insolvency or otherwise. And the said company may make such preferred stock convertible into common stock, upon such terms and conditions as may be fixed by the board of directors.

SECTION 11. Section 12, of said chapter 326, is hereby amended so as to read as follows:

Section 12. The said company is hereby expressly authorized to borrow from time to time such sums of money, and upon such terms, as the corporation or board of directors shall agree upon or authorize as necessary and expedient; and in its corporate name to execute and deliver its notes, bonds, debentures or other evidences of indebtedness in such form as shall be from time to time prescribed by the board of directors, and in such amount as shall be deemed from time to time by said board expedient; and may make the same convertible into its capital stock of any class, upon such terms and conditions as to the board of directors may seem advisable, and it may pledge or hypothecate such notes, bonds, debentures or other evidences of indebtedness as collateral security for loans made

to it by any person or persons, corporation, association or body politic; and it may sell such notes, bonds, debentures or other evidences of indebtedness, at such prices and upon such terms as the board of directors shall prescribe; and it may deliver the same in discharge of any liabilities which it may have incurred, or propose to incur, in the construction, purchase or other acquisition of any railroad or railroads or other property which it is or may hereafter be by law authorized to construct, purchase or acquire, and in the repair, equipment or operation of its railroad or railroads, main line or branch, or of any part or parts thereof, or of any steamships, steamboats, barges, ferries or other water craft acquired or owned by it, or which it desires to acquire by construction or purchase; and it may exchange the same for the stocks, bonds or other evidences of indebtedness of any railroad company whose railroad or railroads it is or may hereafter be authorized to purchase, and it may generally use the same in such manner as shall in the judgment of the board of directors subserve and promote the corporate purposes; and the powers of said company for the purposes aforesaid, and for all purposes necessary for the carrying out of the objects, or any thereof, of said company are hereby ratified and confirmed; and the said company may, and it is hereby expressly authorized and empowered, in order to secure the payment of any such notes, bonds, debentures, or other evidences of indebtedness, execute and deliver from time to time collateral trust indentures or other security, agreements or indentures, and it may from time to time, execute and deliver trust deeds, or mortgages, or both, as occasion may require of and upon any of its railroad or railroads, or parts thereof, constructed or thereafter to be constructed or in process of construction, and may by any such mortgage or trust deed convey and mortgage all or any of its railroad track or tracks, rights-of-way, depot grounds, rights, privileges, franchises, immunities, exemptions, machine houses, rolling stock, furniture, tools, bridges, elevators, steamboats, steamships, and all appendages and appurtenances, and all other property, real, personal and mixed, in any manner whatever then belonging to the corporation, or which it may thereafter acquire; and it may include in any such mortgage or trust deed any grant or grants of lands, or any parts thereof, owned or held by it, or in which

it may be or may become interested; and it may also grant, convey and transfer by any such mortgage or deed of trust its franchise to be a corporation and its franchise to have, possess, maintain and operate the railroad or railroads and other property described in any such instrument and covered thereby; and it may also give and grant to individual bondholders the right and power to vote at meetings of stockholders upon all such questions, other than election of directors, as may come before such meetings; and every such mortgage, deed of trust, collateral trust indenture or security agreement to be executed by said company shall be in such form, and contain such provisions, as the corporation or the board of directors shall think proper. And in any such mortgage, deed of trust, collateral trust indenture or security agreement there may be inserted provisions limiting the right of individual holders of the bonds, notes or evidences of indebtedness secured thereby to sue or recover upon any such bonds, notes or other evidences of indebtedness, or upon any coupon annexed thereto secured by said instrument, either at law or in equity, except through the trustee or trustees to whom or to which or with whom or with which such instrument is made, and every such provision shall be binding upon the holders of said bonds, notes or other evidences of indebtedness, and all thereof and upon any court whose jurisdiction and aid may be invoked in foreclosing the lien or liens created thereby. And every such mortgage or mortgages, deed or deeds of trust or collateral trust indenture and every discharge or satisfaction thereof, may be recorded in the office of the secretary of state, in a proper book kept for that purpose, and the certificate of such recording, indorsed on such instrument, shall have the same effect as if such instrument were recorded in the several counties in which such railroad or railroads may be located, and such record in the office of the secretary of state shall be sufficient notice to all persons of the existence and lien created by said instrument, and of the property covered by the same.

SECTION 12. The said company may lease or purchase, and take a conveyance or assignment of the railroad or railroads, franchises, immunities, and all other properties and appurtenances, and the stocks or bonds, or both thereof of any other railroad corporation, or any portion thereof, within or without

this state, when their respective railroads can be lawfully connected and operated together to constitute a continuous line, or when the railroad or railroads so leased or purchased will constitute branches or feeders of any railroad or railroads maintained and operated by such leasing or purchasing company; and the said company may purchase and hold the stock and bonds, or either thereof, of any railway company to which it has furnished the money for the construction of its railway, or may purchase for the money so furnished, or for such other consideration as may be agreed upon between the companies by their respective boards of directors, and take a conveyance of the whole or any portion of the franchise of said corporation, and of the railway property and appurtenances thereof.

SECTION 13. And the said company may, and it is hereby expressly authorized and empowered to, purchase or otherwise acquire and hold the stock or bonds, or both thereof, of any corporation (wherever organized) the franchises, functions or operations of which may or would in any wise be utilized for the convenient or more economical or safe operation of its railroad or railroads, or of any thereof; and the said company may guarantee the principal or interest, or both thereof, of the bonds, or may endorse the same, or may guarantee the dividends upon the stock, or the rentals or obligations of any lease or traffic contract, of any corporation which it may control by virtue of the ownership of its stock, or otherwise, and may endorse the notes of any such company, or other evidences of indebtedness of any such company, and may guarantee, by endorsement or otherwise, the bonds or other evidences of indebtedness, and the dividends upon the stock or the rentals or obligations of any lease or traffic contract, of any corporation or corporations whose property the said company may now or hereafter be authorized by law to acquire by purchase or lease of the physical property thereof, or by purchase of the stock thereof.

SECTION 14. The said company shall, in addition to the special powers conferred upon it by said chapter 326, and by this act, have, possess and enjoy all of the rights, powers, privileges and immunities conferred upon railroad corporations by chapter 87, of the revised statutes of 1878, and the acts

amendatory thereof and supplementary thereto, and shall be subject, save where inconsistent herewith to the restrictions, duties and liabilities imposed upon railroad corporations by said chapter, and all amendatory and supplementary acts.

SECTION 15. Sections 13, 14, 15, 16, 17, 18 and 19, of said chapter 326, are hereby repealed.

SECTION 16. All acts and parts of acts inconsistent with, or in any manner contravening the provisions of this act are hereby repealed.

SECTION 17. This act shall take effect and be in force from and after its passage and publication.

Approved April 15, 1895.

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5. 8 OCTOBER, 1895.

At a meeting of the Stockholders of the Superior and St. Croix Railroad Company, held at the office of John C. Spooner, in the city of Madison, state of Wisconsin, on the 8th day of October, 1895, at 10 o'clock A. M., pursuant to adjournment, all of the stockholders being present, in person and by proxy, the following resolutions were duly and unanimously adopted, by a stock vote, to-wit:

Resolved, That the action of Hiram Hayes, secretary, in applying for and procuring the amendment to the charter of company made by chapter 244 of the Laws of 1895, entitled "An act to amend chapter 326 of the Private and Local Laws of 1870, entitled 'An act to incorporate the Superior and St. Croix Railroad Company,' and chapter 328 of the Private and Local Laws of 1871, entitled 'An act to amend section 2, chapter 326, of the Private and Local Laws of 1870, approved March 15, 1870, entitled 'An act to incorporate the Superior and St. Croix Railroad Company,'" be, and the same is hereby, ratified and approved.

Resolved, further, That this company does hereby accept the said chapter, and each and every part thereof.

Resolved, That the president and secretary of the company be, and they are hereby, authorized and instructed to execute on behalf of the company, and under its corporate seal, and to

file with the secretary of state, a certified copy of the foregoing resolution accepting said chapter 244 and the amendments to the charter therein and thereby made.

STATE, COUNTY AND CITY OF NEW YORK—ss.

We, Edward D. Adams, president, and George H. Gardiner, secretary, of the Superior and St. Croix Railroad Company, a corporation organized and existing under the laws of the state of Wisconsin, do hereby jointly and severally certify that we have compared the foregoing with the originals thereof as they appear upon the records of the company, and that the same are true and correct copies of said originals, and of the whole thereof, and that the same were adopted at a meeting of the stockholders of said company duly held as in the caption hereof stated and set forth.

In witness whereof, we have hereunto, pursuant to the instructions of the stockholders, as aforesaid, set our hands, and caused the common corporate seal of the company to be hereunto affixed.

EDWARD D. ADAMS, President.
GEORGE H. GARDINER, Secretary.

(Corporate Seal.)

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1 JULY, 1896.

At a meeting of the Stockholders of the Superior and St. Croix Railroad Company, duly held at the office of Spooner, Sanborn, Kerr & Spooner, in the city of Madison, state of Wisconsin, on the 1st of July, A. D. 1896, at 2 o'clock P. M., all of the holders of record of the capital stock of said company being duly represented at said meeting, the following, among other proceedings, were duly had, to-wit:

On motion of Mr. Spooner, seconded by Mr. Reed, the following resolution was, by a stock vote, unanimously adopted, every share of the outstanding stock of said company, voting therefore, to-wit:

Resolved, That the corporate name of this corporation be, and the same is hereby, changed from "The Superior and St. Croix Railroad Company" to "Northern Pacific Railway Company," which latter name is hereby adopted as the corporate name of this corporation.

STATE, COUNTY AND CITY OF NEW YORK—ss.

I, George H. Gardiner, secretary of the Superior and St. Croix Railroad Company, and the custodian of its books, records and common corporate seal, do hereby certify that I have compared the above and foregoing with the original resolution, and with the record of its adoption above set forth, and that the same is a true and correct copy of the said resolution, and of the whole thereof, and of the record of the adoption thereof, at a meeting of the stockholders of said company duly held as in the caption hereof set forth.

In witness whereof, I have, pursuant to the order of the stockholders in this behalf duly made, hereunto set my hand and affixed the said corporate seal this 8th day of July A. D. 1896.

GEORGE H. GARDINER,

Secretary, Superior and St. Croix Railroad Company.

(Corporate Seal.)

UNITED STATES OF AMERICA.

STATE OF WISCONSIN, } ss.
DEPARTMENT OF STATE. }

TO ALL TO WHOM THESE PRESENTS SHALL COME:

I, HENRY CASSON, Secretary of State of the State of Wisconsin, do hereby certify that the foregoing printed copies:

FIRST. Of Chapter 326 of the private and local laws of the State of Wisconsin, approved March 15, 1870, entitled, "An Act to incorporate the Superior and St. Croix Railroad Company."

SECOND. Chapter 2 of the private and local laws of said State, approved January 20, 1871, entitled, "An Act to amend Chapter 326 of the private and local laws of 1870, entitled, 'An Act to incorporate the Superior and St. Croix Railroad Company.' "

THIRD. Chapter 328 of the private and local laws of said State, approved March 16, 1871, entitled, "An Act to amend Section 2, Chapter 326, of the private and local laws of 1870, approved March, 15, 1870, entitled, 'An Act to incorporate the Superior and St. Croix Railroad Company.' "

FOURTH. Chapter 244 of the laws of said state, approved April 15, 1895, entitled, "An Act to amend Chapter 326 of the private and local laws of 1870, entitled, 'An Act to incorporate the Superior and St. Croix Railroad Company,' and Chapter 228 of the private and local laws of 1871, entitled, 'An Act to amend Section 2, Chapter 326, of the private and local laws of 1870, approved March 15, 1870, entitled, 'An Act to incorporate the Superior and St. Croix Railroad Company.' "

FIFTH. A certified copy of resolutions passed by the stockholders of the Superior and St. Croix Railroad Company on the 8th day of October, 1895, approving the action of Hiram Hayes, Secretary of the Company, in applying for and obtaining Chapter 244 of the laws of 1895, and accepting the said chapter, and each and every part thereof, and authorizing and instructing the President and Secretary to execute on behalf of the Company, and under its corporate seal, and to file with the Secretary of State, a certified copy of the resolutions accepting said Chapter 244.

SIXTH. A certified copy of resolutions adopted by the stockholders of the Superior and St. Croix Railroad Company on the first day of July, A. D. 1896, and filed in the Department of State pursuant to the provisions of Section 1835, of the Revised Statutes of 1878, changing the name of said Company, from "Superior and St. Croix Railroad Company" to "Northern Pacific Railway Company."

Have been severally compared by me with the originals of each of said acts of the legislature, and with the authenticated certified copies of said resolutions above numbered five and six, all thereof being in my custody as such Secretary of State, and on file in this Department, and that the foregoing is a true copy of each of said original acts and said certified copies of resolutions, and of the whole thereof, and of each thereof, those numbered first, second, third and fourth constituting the charter of legislative acts of incorporation of the Superior and St. Croix Railroad Company, now, by change of name, under the statutes of Wisconsin, the "Northern Pacific Railway Company."

In witness whereof, I have hereunto set my hand and affixed my official seal, at the capitol in the City of Madison, this 10th day of July, A. D. 1896.

HENRY CASSON,
Secretary of State.

By G. E. VANDERCOOK,
Assistant Secretary of State.

[Endorsed:]

STATE OF MINNESOTA,
DEPARTMENT OF STATE.

I hereby certify that the within instrument was filed for record in this office on the 23rd day of July, A. D. 1896, at 3¼ o'clock P. M., and was duly recorded in Book Q2 of Incorporations, on page ....

ALBERT BERG,
Secretary of State.

8 OCTOBER, 1895.

At a meeting of the stockholders of the Superior and St. Croix Railroad Company, held at the office of John C. Spooner, in the city of Madison, state of Wisconsin, on the 8th day of October, 1895, at 10 o'clock A. M., pursuant to adjournment, all of the stockholders being present, in person and by proxy, the following resolutions were duly and unanimously adopted, by a stock vote, to-wit:

Resolved, That the action of Hiram Hayes, secretary, in applying for and procuring the amendment to the charter of the company made by Chapter 244 of the Laws of 1895, entitled "An Act to amend Chapter 326 of the Private and Local Laws of 1870, entitled 'An Act to incorporate the Superior and St. Croix Railroad Company,' and Chapter 328 of the Private and Local Laws of 1871, entitled, 'An Act to amend section 2, chapter 326, of the Private and Local Laws of 1870, approved March 15, 1870, entitled 'An Act to incorporate the Superior and St. Croix Railroad Company,'" be, and the same is hereby, ratified and approved.

Resolved further, That this company does hereby accept the same chapter, and each and every part thereof.

Resolved, That the president and secretary of the company be, and they are hereby, authorized and instructed to execute on behalf of the company, and under its corporate seal, and to file with the secretary of state, a certified copy of the foregoing resolution accepting said chapter 244 and the amendments to the charter therein and thereby made.

STATE, COUNTY AND CITY OF NEW YORK—ss.

We, Edward D. Adams, president and George H. Gardiner, secretary, of the Superior and St. Croix Railroad Company, a corporation organized and existing under the laws of the state of Wisconsin, do hereby jointly and severally certify that we have compared the foregoing with the originals thereof as they appear upon the records of the company, and that the same are true and correct copies of said originals, and of the whole thereof, and that the same were adopted at a meeting of the stockholders of said company duly held as in the caption hereof stated and set forth.

In witness whereof, we have hereunto, pursuant to the instructions of the stockholders, as aforesaid, set our hands, and caused the common corporate seal of the company to be hereunto affixed.

[*Corporate Seal.*]

EDWARD D. ADAMS, President,
GEORGE H. GARDINER, Secretary.

Indorsed:

STATE OF WISCONSIN, } ss.
DEPARTMENT OF STATE. }

Received this 10th day of July, A. D. 1896, and recorded in volume 8 of R. R. Inc. & Res. on page 625.

G. E. VANDERCOOK,
Assistant Secretary of State.

UNITED STATES OF AMERICA.

STATE OF WISCONSIN,
DEPARTMENT OF STATE. ss.

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETING:

I, HENRY CASSON, Secretary of State, of the State of Wisconsin, hereby certify that, on this 10th day of July, A. D. 1896, there was received and filed for record in this department, a certified copy of the resolution of the Superior & St. Croix Railroad Company, ratifying and approving the action of the Secretary of this Company in applying for and procuring the amendment to the charter of the Company, made by Chapter 244 of the Laws of 1895, and accepting the said Chapter 244 and each and every part thereof; and that the same was recorded this day in Volume 8 of Railroad Incorporations and Resolutions on page 625.

In Testimony Whereof, I have hereunto set my hand, and, affixed my official seal, at the Capitol, in the City of Madison, this tenth day of July, A. D. 1896.

[Seal.]

HENRY CASSON,
Secretary of State,

By G. E. VANDERCOOK,
Assistant Secretary of State.

5a. [Published April 23, 1897.]

CHAPTER 294.

AN ACT RELATING TO RAILROADS, AND AMENDATORY OF SECTION 1833 OF THE REVISED STATUTES OF WISCONSIN.

The people of the State of Wisconsin, represented in Senate and Assembly, do enact as follows:

SECTION 1. SECTION 1833 of the Revised Statutes is hereby amended so as to read as follows:

Section 1833. Any railroad corporation organized and existing under the laws of the Territory or State of Wisconsin, or existing by consolidation of different railway companies under the laws of the Territory or State of Wisconsin, and of

any other Territory or Territories, State or States, may consolidate its stock, franchises and property with any other railroad corporation, whether within or without the State when their respective railroads can be lawfully connected and operated together, to constitute one continuous main line, with or without branches, upon such terms as may be agreed upon, and become one corporation by any name selected, which within this State shall possess all the powers, franchises and immunities, including the right of further consolidations with other corporations under this section, and be subject to all the liabilities and restrictions of this chapter, and such in addition, including land grants and exemptions of land from taxation, as such corporations peculiarly possessed or were subject to at the time of consolidation or amalgamation by the laws then in force applicable to them or either of them.

Articles stating the terms of consolidation shall be approved by each corporation by a vote of the stockholders owning a majority of the stock, in person or by proxy, at either a regular annual meeting thereof or a special meeting called for that purpose in the manner prescribed by Section 1826, or by the consent in writing of such stockholders annexed to such articles; and a copy thereof, with a copy of the records of such approval, or such consent, and accompanied by lists of their stockholders, and the number of shares held by each, duly certified by their respective presidents and secretaries, with the respective corporate seals affixed of such corporations, shall be filed for record in the office of the Secretary of State before any such consolidation shall have validity or effect.

Any such railroad corporation may give or take a lease, or may sell or purchase from any railroad company, or at any judicial sale, within or without the State, and may give or take a conveyance or assignment of the railroad, franchises, immunities, together with the appurtenances and all other property, and the stock or bonds, or both, thereof, of any other railroad corporation, whether organized or created by the laws of this State or of any other State, or of the United States, or any portion thereof, within or without this State, when their respective railroads can be lawfully connected and operated together to constitute one continuous main line, or when the road so purchased will constitute branches or feeders of

any railroad maintained and operated by such purchasing corporation, or when the road so purchased is one which any such company is authorized by its charter to build, maintain and operate.

And any such railroad corporation may purchase and hold the stocks or bonds of any railway company to which it has furnished the money for the construction of its railway, or may purchase for the money so furnished, or for such other consideration as may be agreed upon between the companies by their respective Boards of Directors, and take a conveyance of the whole or any portion of the franchises of said corporation, and of the railway property and appurtenances thereof, and all acts, purchases, whether at judicial sale or otherwise, and conveyances heretofore made by any railway company organized under the laws of this State, which are authorized by this act, and all conditions and agreements upon which the stocks of any such corporation have been and are to be issued, relating to voting power, dividends and trustees, between different classes of stock or otherwise, are hereby legalized, ratified and confirmed; provided, however, that nothing herein contained shall be construed to legalize any contract or indenture of lease heretofore entered into between a corporation of this State and any corporation organized or created by the laws of the United States.

But no railroad corporation shall consolidate with, or lease or purchase, or in any way become owner of, or control, any other railroad corporation, or any stock, franchises, rights or property thereof, which owns or controls a parallel or competing line, to be determined by jury.

SECTION 2. This act shall take effect and be in force from and after its passage and publication.

Approved April 22, 1897.

II.—CHANGE OF NAME.

1 July, 1896.

6—*Stockholders' Resolution.*

At a meeting of the Stockholders of the Superior and St. Croix Railroad Company, duly held at the office of Spooner, Sanborn, Kerr & Spooner, in the city of Madison, state of

Wisconsin, on the 1st day of July, A. D. 1896, at 2 o'clock P. M., all of the holders of record of the capital stock of said company being duly represented at said meeting, the following among other proceedings, were duly had, to-wit:

On motion of Mr. Spooner, seconded by Mr. Reed, the following resolution was, by a stock vote, unanimously adopted, every share of the outstanding stock of said company voting therefor, to-wit:

Resolved, That the corporate name of this corporation be, and the same is hereby, changed from "The Superior and St. Croix Railroad Company" to "Northern Pacific Railway Company," which latter name is hereby adopted as the corporate name of this corporation.

STATE, COUNTY AND CITY OF NEW YORK, ss

I, GEORGE H. GARDINER, Secretary of the Superior and St. Croix Railroad Company, and the custodian of its books, records and common corporate seal, do hereby certify that I have compared the above and foregoing with the original resolution, and with the record of its adoption above set forth, and that the same is a true and correct copy of the said resolution, and of the whole thereof, and of the record of the adoption thereof at a meeting of the stockholders of said company duly held as in the caption hereof set forth.

In witness whereof, I have, pursuant to the order of the stockholders in this behalf duly made, hereunto set my hand and affixed the said corporate seal this 8th day of July, A. D. 1896.

GEORGE H. GARDINER,
Secretary,
Superior and St. Croix Railroad Company.

[Corporate Seal.]

Indorsed:

STATE OF WISCONSIN,
DEPARTMENT OF STATE. ss.

Received this 10th day of July, A. D. 1896, and recorded in vol. 8 of R. R. Inc. & Res, on page 624.

G. E. VANDERCOOK,
Assistant Secretary of State.

UNITED STATES OF AMERICA.

STATE OF WISCONSIN,
DEPARTMENT OF STATE. ss.

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETING:

I, HENRY CASSON, Secretary of State of the State of Wisconsin, do hereby certify that there was this day received and filed for record in this department, a certified copy of the resolution of the Superior & St. Croix Railroad Company, changing the name of said Company to "Northern Pacific Railway Company," and that the same was recorded in Volume 8 of Railroad Incorporations and Resolutions, on page 624.

In Testimony Whereof, I have hereunto set my hand, and affixed my official seal, at the Capitol, in the City of Madison, this tenth day of July, A. D. 1896.

HENRY CASSON,
(Seal.) Secretary of State.

By G. E. VANDERCOOK,
Assistant Secretary of State.

7.—*Directors' Resolution.*

At a meeting of the Board of Directors of the Superior & St. Croix Railroad Company, held at the office of the President, in the City of New York, on Wednesday, July 8, 1896, at half-past three o'clock in the afternoon, a majority of the Board being present, the following resolutions were unanimously adopted:

Resolved, That the corporate name of this Company be, and the same is, hereby changed from the Superior & St. Croix Railroad Company to "Northern Pacific Railway Company," which latter name is hereby adopted as the corporate name of this corporation.

Resolved, That the Secretary of the corporation be, and he is hereby, instructed to file in the office of the Secretary of State of Wisconsin, a copy of the foregoing resolutions, and of the record of its adoption, certified under his hand and the corporate seal of the corporation, and to publish a like certified copy of said resolution for three successive weeks in the Wisconsin State Journal, the official State paper, as provided by Section 1835 of the Revised Statutes of Wisconsin for 1878.

These resolutions were accordingly published in the "Wisconsin State Journal" for three weeks, beginning July 11, 1896.

The capital stock of the Company was duly increased to $155,000,000 at the meeting of the Stockholers held July 1, 1896.

III.—PROCEEDINGS IN MINNESOTA, NORTH DAKOTA, MONTANA, IDAHO, WASHINGTON AND OREGON.

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8 OCTOBER, 1895.

8.—*Stockholders' Resolution.*

At a meeting of the Stockholders of the Superior & St. Croix Railroad Company, held at the office of John C. Spooner, in the City of Madison, State of Wisconsin, on the 8th day of October, 1895, at ten o'clock A. M., pursuant to adjournment, all of the Stockholders being present, in person and by proxy, the following resolutions were duly and unanimously adopted, by a stock vote, to-wit:

Resolved, That the Board of Directors be, and they are hereby, authorized and instructed to cause to be fully complied with, all the conditions and requirements imposed by the laws of Minnesota, North Dakota, Montana, Idaho, Washington, Oregon and the Dominion of Canada, and any of the provinces thereof, to enable this corporation to acquire railroads and railroad property therein, to exercise its franchise as a railroad corporation, and to carry on the business of the same in said States or in the Dominion of Canada, and any of the provinces thereof.

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11 JULY, 1896.

9—*Directors' Resolution.*

At a meeting of the Board of Directors of the Northern Pacific Railway Company, held at the office of the President in the City of New York, on Saturday, July 11, 1896, at one o'clock in the afternoon, every Director being present, the following resolution was unanimously adopted:

Resolved, That the President and Secretary be and they are hereby authorized and instructed to cause to be fully complied with, all the conditions and requirements imposed by the laws of Minnesota, North Dakota, Montana, Idaho, Washington, Oregon and New York and the Dominion of Canada, and any of the provinces thereof, to enable this corporation to acquire railroads and railroad property therein, and to exercise its franchise as a railroad corporation, and to carry on the business of the same in the said States or in the Dominion of Canada and any of the provinces thereof, including the payment of any franchise tax in any of the said States, in order to enable this corporation to conduct business therein with the same rights, privileges and powers as a domestic corporation of such State.

10.—MINNESOTA.

(a) *Filing of Charter.*

NOTE. A certified copy of the charter, &c., of the Company, as filed in the office of the Secretary of State of the State of Wisconsin (printed in this record on pages 1 to 18, inclusive), was filed for record in the office of the Secretary of State of the State of Minnesota on July 23, 1896 (see certificate of Secretary of State of Minnesota, printed on page 18).

RAMSEY COUNTY,

OFFICE OF

REGISTER OF DEEDS.

St. Paul, Minn. October 13th, 1896.

STATE OF MINNESOTA,
COUNTY OF RAMSEY. ss.

Office of Register of Deeds.

I hereby certify that on the 30th day of July, 1896, at 1:40 o'clock P. M., three was filed in this office for record the Chapter of the Northern Pacific Railway Company, formerly Superior and St. Croix Railroad Company, and laws relating thereto,

and that the same appears of record in this office in Book "36" of Miscellaneous Records at page 219.

HENRY WEBBER,
(Seal.) Register of Deeds.

(b) *Appointment of Agent.*

KNOW ALL MEN, BY THESE PRESENTS, THAT

WHEREAS, The Northern Pacific Railway Company, a corporation organized and existing under the laws of the State of Wisconsin, desires and intends to acquire, hold, maintain and operate certain railroads in the state of Minnesota, and other property, real, personal and mixed, within said state, and to transact within said state the business of a common carrier, and such, moreover, as shall be incident to the management and disposition of its property therein, and

WHEREAS, It is, among other things, provided by chapter 332 of the laws of the state of Minnesota for the year 1895 as follows:

"Every corporation created or organized under the laws of any other state or territory or foreign country, before it shall transact any business in this state, or acquire, hold or dispose of property, real, personal or mixed, within this state, shall appoint an agent in writing, who shall reside at some accessible point in this state, duly authorized by it to accept service of summons or process, and upon whom service of summons or process may be made in any civil action in which said corporation may be a party, the cause of which said action arose in this state," and

WHEREAS. The directors of this company, being thereunto authorized by a resolution duly passed at a meeting of the stockholders, did, on the 13th day of July, A. D. 1896, authorize and direct the president and secretary to comply in all respects with said chapter 332;

NOW, THEREFORE, The Northern Pacific Railway Company, in conformity to the said laws of Minnesota and in compliance therewith, has constituted and appointed, and does hereby make, constitute and appoint, Edwin W. Winter, a citizen of Minnesota, residing in the city of St. Paul, in the county of Ramsey, in said state, its agent in and for the said

state of Minnesota, and the said Edwin W. Winter, as such agent, is hereby authorized and empowered to accept service of summons or process in a civil action in which said corporation may be a party, the cause of which said action arose in the state of Minnesota.

IN WITNESS WHEREOF, The said company, in accordance with resolution by its board of directors duly passed on the 13th day of July, 1896, a certified copy of which is hereto attached, has caused these presents to be subscribed and attested by its president and secretary, and its corporate seal to be hereto affixed, at the city of New York, in the state of New York, on the 13th day of July, A. D. 1896.

NORTHERN PACIFIC RAILWAY COMPANY,

By EDWARD D. ADAMS,
President.

(Seal.)

GEORGE H. GARDINER,
Secretary.

At a meeting of the Board of Directors of the Northern Pacific Railway Company, duly called and held at the office of the company, No. 15 Broad street, New York city, on the 13th day of July, A. D. 1896, at which all of the directors were present, the following preamble and resolution were unanimously adopted, to-wit:

WHEREAS, It is desired and intended by the Northern Pacific Railway Company to acquire, hold, maintain and operate certain railroads in the state of Minnesota, and to acquire and hold other property therein, real, personal and mixed, and to therein transact the business of a common carrier, and such other business as may be incident to the management and disposition of its property in said state, and

WHEREAS, It is provided by chapter 332 of the laws of Minnesota for the year 1895 that corporations created or organized under the laws of any other state or territory, before transacting any business in said state, or acquiring, holding or disposing of property therein, shall appoint an agent in writing, who shall reside at some accessible point in said state, to accept service of, and upon whom service of summons or process in

civil actions in which said corporation may be a party, and in which the cause of action arises therein, may be made; it is, therefore,

RESOLVED, By the directors of the Northern Pacific Railway Company, that the president and secretary of said company be, and they are hereby, authorized and directed to appoint some proper person to act as such agent in said state of Minnesota, and to cause to be made an authenticated copy of such appointment, and the same to be filed in compliance with the law of Minnesota.

STATE, COUNTY AND CITY OF NEW YORK, ss

I, GEORGE H. GARDINER, Secretary of the Northern Pacific Railway Company, a corporation organized and existing under the laws of the state of Wisconsin, do hereby certify that the records of said company and of the board of directors thereof are in my custody as such Secretary; that I carefully compared the foregoing power of attorney, executed by said company to Edwin W. Winter to be its agent and attorney for the state of Minnesota for the uses and purposes therein set forth, as the same was executed by said company, and before its delivery to said Edwin W. Winter, and that the above and foregoing is a true and correct copy of the said appointment or commission of the said Edwin W. Winter, and of the whole thereof. I do further certify that I have compared the foregoing preamble and resolution authorizing and instructing the officers of the company to execute said appointment or commission with the original thereof, as the same appear of record on the books of said company, and that the same is a true and correct copy of said preamble and resolution, and of the whole thereof, and that the same were duly adopted as in the caption of said preamble and resolution above stated and set forth.

In Witness Whereof, I have hereto set my hand, and affixed the corporate seal of said company, this 13th day of July, A. D. 1896.

GEORGE H. GARDINER,
Secretary,
Northern Pacific Railway Company.

(Seal.)

[Endorsed.]

State of Minnesota. Department of State. I hereby certify that the within instrument was filed for record in this office on the 23 day of July, A. D. 1896 at 3½ o'clock P. M., and was duly recorded in Book A of Service of Process on page 277, &c. Albert Berg, Secretary of State.

RAMSEY COUNTY.

OFFICE OF

REGISTER OF DEEDS.

St. Paul, Minn., October 13th, 1896.

STATE OF MINNESOTA,

COUNTY OF RAMSEY. ss.

Office of Register of Deeds.

I hereby certify that on the 10th day of August, A. D. 1896, at 11:35 o'clock A. M., there was filed in this office for record the appointment by the Northern Pacific Railway Company, of Edwin W. Winter, of the City of St. Paul, Ramsey County, Minnesota, as its agent in and for the said State of Minnesota, as required by Chapter 332 of the laws of the State of Minnesota for the year 1895. That said appointment is recorded in Book "B" of Appointments, at page 307.

HENRY WEBBER,
Register of Deeds.

(Seal.)

(c) *Receipt for Tax.*

STATE TREASURER'S OFFICE, MINNESOTA.

St. Paul, July 23, 1896.

Received of Northern Pacific Ry. Company seventy-seven thousand five hundred twenty-five dollars, being for fees paid in accordance with act approved April 24, 1889, on original capital stock amounting to $155,000,000.

AUG. T. KOERNER,
State Treasurer.

$77,525.00

I hereby certify that the within is a true copy of the original issued by this office.

AUG T. KOERNER,
State Treasurer,
By J. H. ACKERMANN,
Deputy.

11.—NORTH DAKOTA.

(a) *Appointment of Agent.*

KNOW ALL MEN, BY THESE PRESENTS, THAT

WHEREAS, The Northern Pacific Railway Company, a corporation organized and existing under the laws of the State of Wisconsin, is about to acquire and to maintain and operate a railway, extending from a point in Wisconsin through Minnesota and North Dakota, and to that end is desirous of complying with the laws of the State of North Dakota concerning the acquisition of property and the transaction of business therein by foreign corporations, and

WHEREAS, It has, being thereunto duly authorized by resolution of its board or directors, duly passed, and in compliance with Section 3261 of the Civil Code of North Dakota, filed in the office of the secretary of state a duly authenticated copy of its charter.

NOW, THEREFORE, to fully entitle itself to transact business as aforesaid by compliance with Section 3263 of the Civil Code of North Dakota, the said Northern Pacific Railway Company has constituted and appointed, and does hereby constitute and appoint, the Secretary of State of North Dakota, and his successors in said office, its true and lawful attorney, upon whom all process in any action or proceeding against it may be served, and the said company hereby (as provided by said Section 3263), agrees with the said State of North Dakota that any process which may be served upon its said attorney shall be of the same force and validity as if served upon it personally in said state, and the said company further agrees that this appointment shall continue in force, irrevocable, so long as any liability of said corporation remains outstanding in said state.

IN WITNESS WHEREOF, The said company, in accordance with the resolution of the board of directors, duly passed on the 11th day of July, A. D. 1896, has to these presents affixed its corporate seal and caused the same to be subscribed on its behalf and attested by its President and Secretary, in the city

of New York, state of New York, on the 13th day of July, A D. 1896.

NORTHERN PACIFIC RAILWAY COMPANY,

By EDWARD D. ADAMS,

(Seal.) President.

GEORGE H. GARDINER,

Secretary.

(b) *Designation of Route.*

At a meeting of the Board of Directors of the Northern Pacific Railway Company, held at the principal office of the Company in the City of New York, on the 13th day of July, 1896, all the Directors being present, the following resolution was unanimously adopted:

Resolved, That the railroad of this Company be extended through the state of North Dakota, and that the route of such proposed extension be as follows: Commencing at the State line between Minnesota and North Dakota, at or opposite Fargo, and proceeding thence westerly through the counties of Cass, Barnes, Stutsman, Kidder, Burleigh, Morton, Stark and Billings, to the State line between North Dakota and Montana, being the present line of the Northern Pacific Railroad; the estimated length of said railroad being 376.82/100 miles.

We, the undersigned, Edward D. Adams, President, and George H. Gardiner, Secretary, of the Northern Pacific Railway Company, a corporation of the State of Wisconsin, named in the foregoing resolution, do hereby certify that the foregoing is a copy, and a true copy, of the resolution of the Board of Directors of the Northern Pacific Railway Company, adopted at its meeting held on the 13th day of July, 1896.

EDWARD D. ADAMS,

(Seal.) President.

Attest:

GEORGE H. GARDINER,

Secretary.

(c) *Certificate of Filing.*

STATE OF NORTH DAKOTA.

[Cut.] DEPARTMENT OF STATE.

C. M. DAHL, Secretary.

This is to certify that the Northern Pacific Railway Company has filed in the office of the Secretary of State of the State of North Dakota a certified copy of their articles of incorporation, a certificate appointing the Secretary of State as their agent to accept service of process and a resolution designating route through the State of North Dakota.

In witness whereof, I have hereunto set my hand and affixed the Great Seal of the State this 17th day of July, A. D. 1896.

C. M. DAHL,
Secretary of State,

[Seal.]

By WILLIAM O. DE LUY,
Deputy Secretary of State.

12.—MONTANA.

(a) *Statement—Sec.* 1030, *L.* 1893.

The Northern Pacific Railway Company, a corporation organized and existing under the laws of the state of Wisconsin, intending to acquire, maintain and operate railroads within the state of Montana, and to transact business in said state, complying with Section 1030 of the Civil Code of said state for 1895, hereby makes, as required by said section, the following statement:

1. The name of this corporation is Northern Pacific Railway Company, organized and existing under the laws of the state of Wisconsin; location of principal office or place of business of this corporation, without the state of Montana, is at the city of St. Paul, Ramsey County, Minnesota, and its principal office in the state of Montana will be at Helena.

2. The amount of its capital stock is one hundred fifty-five millions of dollars, divided into shares of one hundred dollars each, the aggregate of which seventy-five million dollars are preferred stock, and eighty million dollars are common stock.

3. The amount of its capital stock actually paid in in money is $4,300.

4. The amount of its capital stock paid in otherwise than in cash is $154,995,700, and the same was paid in by the sale and transfer to the company of stocks, bonds and securities formerly of or belonging to the Northern Pacific Railroad Company, or of interest therein.

5. The amount of the assets of the corporation is $4,100 in cash, and the stocks, bonds and securities before mentioned, or interests in the stocks, bonds and securities before mentioned, of or formerly belonging to the Northern Pacific Railroad Company, to an aggregate amount of which the actual cash value exceeds $40,000,000.

6. The liabilities of such corporation are such as have been incurred for and in connection with the purchase of the property of the said Northern Pacific Railroad Company; and while not yet specifically formulated, an indebtedness equal to or not exceeding the sum of $190,000,000 has been or will be created by the said corporation, all of which will be secured by mortgages upon the property, franchises and railroads now or formerly of the Northern Pacific Railroad Company.

CITY OF NEW YORK,
COUNTY OF NEW YORK. ss.
STATE OF NEW YORK.

In attestation of the truth of the foregoing statement, we, the undersigned, constituting a majority of the Board of Directors of the Northern Pacific Railway Company, have hereunto set our hands this 13th day of July, A. D. 1896.

EDWARD D. ADAMS, GEORGE H. GARDINER,
A. H. GILLARD, W. PAXTON LITTLE,
MORTIMER F. SMITH, J. W. ALMY, Jr.
VICTOR MORAWETZ, FRANCIS LYNDE STETSON.

CITY OF NEW YORK,
COUNTY OF NEW YORK, ss.
STATE OF NEW YORK.

EDWARD D. ADAMS, President, and GEORGE H. GARDINER, Secretary of the Northern Pacific Railway Company, a corporation, which makes the foregoing statement, each being first duly sworn upon his oath, says that he has read the foregoing statement, and that the same is true, and said affiants further say that the above signatures of Directors are genuine and that the signers constitute a majority of the Board of Directors of the corporation.

Subscribed and sworn to before me this 13th day of July, A. D. 1896.

EDWARD D. ADAMS,
GEORGE H. GARDINER.

In witness whereof, I have hereunto set my hand and affixed my official seal the day and year last above written.

JOSEPH B. BRAMAN,

Commissioner of Deeds for state of Montana in and for the state of New York resident in said city of New York.

[Commissioner's Seal.]

(b) *Appointment of Agent.*

At a meeting of the Board of Directors of the Northern Pacific Railway Company, a corporation organized and existing under the laws of the state of Wisconsin, duly called and held at the office of the company at No. 15 Broad Street, New York city, at which all of the directors were present, the following preamble and resolution were unanimously adopted:

WHEREAS, This corporation intends to acquire by purchase, and to maintain and operate, certain railroads extending through the state of Montana, hitherto and now known as the Northern Pacific, and certain other railroads connecting therewith in said state, and which the company is by its charter authorized to acquire, maintain and operate, and to that end desires to comply with the laws of the State of Montana, regulating the right of foreign corporations to acquire property and transact business within the limits of said state and

WHEREAS, Section 1030 of the Civil Code of said state for the year 1895 requiring, among other things, that a foreign corporation shall, before doing business in said state, file in the office of the Secretary of State, and in the office of the County Clerk, of the county wherein they intend to carry on business, a certificate, under the seal of the corporation, and the signature of its President, Vice-President or other acting head, and its Secretary, if there be one, certifying that the said corporation has consented to be sued in the courts of this state upon all causes of action arising against it in this state, and that service of process may be made upon some person, a citizen of this state, whose name and place of residence shall be designated in said certificate. Now, therefore,

Resolved, That this corporation has consented, and does hereby consent, to be sued in the courts of the state of Montana upon all causes of action arising against it in said state, and does further consent that service of summons or other process against it may be made upon Alfred D. Edgar, a citizen of Montana, residing at Helena (the principal place of business of the corporation in said state) who is hereby designated as the agent of the corporation for the purpose of receiving and accepting service of summons and other process against it in said state.

Resolved, That the President and Secretary be, and they are hereby, authorized and permitted to certify the foregoing resolutions and file the same in accordance with the laws of Montana.

CITY OF NEW YORK,
COUNTY OF NEW YORK, ss.
STATE OF NEW YORK.

We EDWARD D. ADAMS, President, and GEORGE H. GARDINER, Secretary, of the Northern Pacific Railway Company, do hereby certify that we have compared the foregoing with the original resolutions, and with the record thereof, as the same appear upon the books of the corporation, and that the foregoing is a copy of the said original resolutions, and of the record thereof, and of the whole thereof.

We further hereby certify that the said resolutions were unanimously adopted at a meeting of the directors, duly called and held as in the caption hereof set forth.

In witness whereof, we have hereunto, as authorized and directed by said board, set our hands and caused hereto to be affixed the common seal of the corporation this 13th day of July, A. D. 1896.

EDWARD D. ADAMS, President.
GEORGE H. GARDINER, Secretary.

(Corporate Seal.)

(c) *Consent of Agent.*

I, ALFRED D. EDGAR, a citizen of the state of Montana, residing at Helena, designated by the Northern Pacific Railway Company, through its Board of Directors, on the 13th day of July, A. D. 1896, to reside as the agent of said company in the state of Montana, upon whom service of process, against said company, may be made, as provided in section 1031 of the Civil Code of 1895, hereby consent to act as such agent, and in testimony of which consent I have hereunto set my hand this 20th day of July, A. D. 1896.

ALFRED D. EDGAR.

(d) *Certificates of Filing.*

STATE OF MONTANA,
OFFICE OF SECRETARY OF STATE. ss.

This certifies that the Northern Pacific Railway Company, a corporation organized and existing under the laws of the State of Wisconsin, has this day filed in the office of the Secretary of State of the State of Montana, a certified copy of its Charter or Articles of Incorporation, together with a certified copy of a resolution passed by its board of directors consenting to be sued in the State of Montana and appointing Alfred D. Edgar its agent for the service of process against the said corporation and designating Helena as its principal place of business. And that said corporation has further field a written consent of the said Alfred D. Edgar to act as such agent, and the said corporation has further filed the statement required

by Section 1030 of the Civil Code of 1895 of said State, attested by a majority of its Board of Directors.

In witness whereof, I have hereunto set my hand and affixed the Great Seal of the State of Montana, this 20th day of July, A. D. 1896.

[Seal.]

L. ROTWITT,
Secretary of State.

OFFICE OF CLERK AND RECORDER.

STATE OF MONTANA,

COUNTY OF LEWIS & CLARK. ss.

This certifies that the Northern Pacific Railway Company, a corporation organized and existing under the laws of the State of Wisconsin, has this day filed in the office of the Clerk and *Ex-officio* Recorder of Lewis and Clark County, State of Montana, a certified copy of its charter or Articles of Incorporation, together with a cerified copy of a resolution passed by its Board of Directors consenting to be sued in the State of Montana and appointing Alfred D. Edgar its agent for the service of process against the said corporation and designating Helena as its principal place of business. And the said corporation has further filed a written consent of the said Alfred D. Edgar to act as such agent and the said corporation has further filed the statement required by Section 1030 of the Civil Code of 1895 of said State, attested by a majority of its Board of Directors.

In witness whereof, I have hereunto set my hand and affixed the seal of said county this 20th day of July, 1895.

[Seal.]

J. S. TOOKER,
Clerk and *Ex-officio* Recorder.

By FRED S. YAEGER, Deputy.

13.—IDAHO.

(a) *Acceptance of Constitution.*

At a meeting of the Board of Directors of the Northern Pacific Railway Company, duly called and held at the office of the company, 15 Broad street, in the City of New York, on the 13th day of July, A. D. 1896, all of the Directors being present, the following preamble and resolutions were unanimously adopted, to-wit:

WHEREAS, a portion of the Northern Pacific Railroad, which this corporation is to acquire by purchase is located within the state of Idaho;

WHEREAS, it is necessary, therefore, that the corporation shall possess the right to own and operate the said railway with branch lines acquired by purchase, construction and otherwise within the said State of Idaho, and to that end is obliged to comply with the conditions prescribed by the laws of Idaho, precedent to the exercise by said road of such rights within said state;

WHEREAS, it is provided by Section 7 of Article 11 of the Constitution of Idaho, as follows:

No corporation, other than municipal corporations, not existing at the time of this constitution shall have the benefit of any future legislation, without first filing in the office of the Secretary of State an acceptance of the provisions of this constitution in binding form.

WHEREAS, Section three of the act of the Laws of Idaho of 1890-1891, approved March 4, 1891, grants a foreign corporation powers which it is desirable that this corporation should possess and exercise within said state; and

WHEREAS, by Section Four of said act it is provided this act shall not apply to any corporation before such corporation shall have filed an acceptance of the provisions of the said State Constitution as provided in Section Seven of Article 11 of the Constitution, and whereas it is for the interest of the company that it should be in position to avail itself of future legislation of said state; and

WHEREAS, at a meeting of the Stockholders, duty called and held at Madison on the 1st day of July, A. D. 1896, at which meeting all of the stockholders were represented, the directors were, by resolution, unanimously adopted, empowered and instructed to comply with the requirements of the laws of Idaho; now, therefore,

Resolved, That for the purpose of entitling itself to the rights, franchises, privileges and immunities granted and to be granted by the State of Idaho to foreign corporations, conditioned upon acceptance by said corporation of the provisions of the Constitution of Said State, this corporation hereby agrees to accept, and does accept and agree to be bound by, the provisions of the Constitution of the said State of Idaho;

Resolved, That the President and Secretary of the corporation be, and they are hereby, empowered and instructed to authenticate in due form the foregoing acceptance by this corporation of the provisions of the Constitution of Idaho, and to attach and affix to said authentication the common seal of this corporation, and to file the same in the office of the Secretary of the State of Idaho, and in such other offices as may be required by law.

CITY OF NEW YORK,
COUNTY OF NEW YORK, ss.
STATE OF NEW YORK.

We, the undersigned, EDWARD D. ADAMS, President, and GEORGE H. GARDINER, Secretary, of the Northern Pacific Railway Company, hereby jointly and severally certify that we have compared the foregoing preamble and resolutions with the originals thereof, as they appear upon the records of the corporation, and that the foregoing is a true and correct copy of the record thereof, and of the whole thereof, and that the same were duly adopted at a meeting of the Directors of the Company, duly called and held as stated in the caption hereof, and in witness whereof, we have hereunto set our hands and affixed the common seal of the corporation this 13th day of July, A. D. 1896.

[Seal.]

EDWARD D. ADAMS, President.
GEORGE H. GARDINER, Secretary.

(b) *Appointment of Agent.*

KNOW ALL MEN BY THESE PRESENTS, That the Northern Pacific Railway Company, a corporation organized and existing under the laws of the state of Wisconsin, desiring to entitle itself to transact business as a railway company in the state of Idaho, by compliance with the requirements of the laws of said state relating to foreign corporations, and their right to transact business therein, has for that purpose, as provided by section 2653, chapter 1 of title 4, of the Revised Statutes of Idaho for the year 1887, constituted, appointed and designated, and does hereby constitute, appoint and designate John P. Vollmer, a citizen of Idaho, residing in the county of Nez Perce, in which county the principal place of business of the corporation in Idaho is conducted, the attorney and agent of this corporation, upon whom process issued by authority of or under any laws of the state of Idaho against this corporation may be served; and the said John P. Vollmer is authorized and empowered as such attorney and agent to accept service of summons or other legal process issued against the corporation.

In Witness Whereof, The said corporation has, by order of its board of directors, caused these presents to be signed on its behalf by Edward D. Adams, its president, and attested by George H. Gardiner, its secretary, and its common corporate seal to be hereto affixed, this 13th day of July, A. D. 1896.

NORTHERN PACIFIC RAILWAY COMPANY,

[Seal.] By EDWARD D. ADAMS, President.
GEORGE H. GARDINER,
Secretary.

(c) *Certificates of Filing.*

STATE OF IDAHO.

OFFICE OF THE SECRETARY OF STATE.

I, I. W. GARRETT, Secretary of State of the State of Idaho, do hereby certify that the Northern Pacific Railway Company, a corporation duly organized and existing under the laws of the State of Wisconsin, has fully complied with Section 10, of

Article XI, of the Constitution, and Section 2653 of the Revised Statutes of Idaho, by filing in this office on the first day of August, 1896, a properly authenticated copy of its Articles of Incorporation, and on July 24th, 1896, a certificate of the appointment of John P. Vollmer, of Lewiston, in the County of Nez Perce, State of Idaho, as the Agent for said Corporation within the State of Idaho, upon whom process issued by authority of, or under any law of this State, may be served.

AND I FURTHER CERTIFY, That said Corporation has accepted the provisions of the Constitution of the State of Idaho for all the intents and purposes contemplated by the provisions thereof, relating to such acceptance, by other than municipal corporations (Art. XI, Sec. 7), all of which are recorded in Book D of Foreign Incorporations, pages 350 to 380.

IN TESTIMONY WHEREOF I have hereunto set my hand and affixed the Great Seal of the State. Done at Boise City, the Capital of the State of Idaho, this 18th day of August, in the year of our Lord one thousand eight hundred and ninety-six and of the Independence of the United States of America the one hundred and twenty-first.

I. W. GARRETT,
Secretary of State.

[Seal.]

Lewiston, Idaho, July 28th, 1896.

STATE OF IDAHO,
COUNTY OF NEZ PERCE.

I Hereby Certify, That on the 28th day of July, 1896, at 10:30 o'clock A. M., was filed appointment of John P. Vollmer as attorney and agent of the Northern Pacific Railway Company, for the service of process.

S. O. TANNAHILL,
Clerk District Court.

[Seal.]

By R. R. STEEN, Deputy.

14.—WASHINGTON.

(a) *Appointment of Agent.*

KNOW ALL MEN BY THESE PRESENTS, THAT

WHEREAS, The Northern Pacific Railway Company, a corporation organized and existing under the laws of the state of Wisconsin, is about to acquire, as authorized by its charter, by purchase, a railroad extending into and across the state of Washington, hitherto and now known as the Northern Pacific Railroad and other railroads in the state of Washington connecting therewith and intends to maintain and operate the said railroads, and to carry on the business incident thereto and to the care and disposition of the property to be acquired by it in the said state, and to that end desires to comply with section 2828 of the Revised Statutes and Codes of said state, providing for the appointment of an agent to accept service of process upon foreign corporations, and

WHEREAS, The board of directors has by resolution authorized and instructed its officers to execute an appointment as agent in conformity to said statute, and to file the same for record in the office of the secretary of state.

Now, Therefore, Pursuant to said authority, and in compliance with the laws of said state, the said corporation has constituted and appointed, and does hereby constitute and appoint Thomas Cooper as its agent, who shall reside at the city of Tacoma, in the said state, where the principal business of the corporation in said state is to be carried on; and the said agent is hereby authorized and empowered to accept service of process in any action or suit pertaining to the property, business or transactions of such corporation within the state of Washington in which said corporation may be a party.

In Witness Whereof, The said corporation has caused these presents to be signed by Edward D. Adams, its President, and George H. Gardiner, its Secretary, and its corporate seal to be hereto affixed, this 13th day of July, A. D. 1896.

EDWARD D. ADAMS, President.

[Seal.] GEORGE H. GARDINER, Secretary.

(b) *Filing of Charter.*

UNITED STATES OF AMERICA,

STATE OF WASHINGTON.

OFFICE OF THE SECRETARY OF STATE.

I, JAMES H. PRICE, Secretary of State of the State of Washington, do hereby certify that a certified copy of the Charter of Northern Pacific Railway Company was on this 22nd day of July, 1896, filed in this office as provided by law.

In Testimony Whereof, I have hereunto set my hand and affixed the Seal of the State of Washington.

Done at Olympia, this 22d day of July, in the year of our Lord one thousand eight hundred and ninety-six.

[Seal.]

J. H. PRICE,
Secretary of State.

UNITED STATES OF AMERICA,

STATE OF WASHINGTON.

OFFICE OF THE SECRETARY OF STATE.

Olympia, August 1st, 1896.

I, J. H. PRICE, Secretary of State of the State of Washington, do hereby certify that certified copy of Charter of the Northern Pacific Railway Company, was, on the 22nd day of July, 1896, filed for record and recorded in Book 3, page 236, Foreign Corporations.

In Testimony Whereof, I have hereunto set my hand and affixed the Seal of the State at Olympia, the day and year first above written.

[Seal.]

J. H. PRICE.
Secretary of State.

(c) *Filing of Appointment of Agent.*

UNITED STATES OF AMERICA,

STATE OF WASHINGTON.

OFFICE OF THE SECRETARY OF STATE.

I, JAMES H. PRICE, Secretary of State of the State of Washington, do hereby certify that the appointment of Thomas Cooper, Agent for the Northern Pacific Railway Company, was on this 22d day of July, 1896, filed in this office as provided by law.

In Testimony Whereof, I have hereunto set my hand and affixed the Seal of the State of Washington.

Done at Olympia, this 22d day of July, in the year of our Lord one thousand eight hundred and ninety-six.

J. H. PRICE,
Secretary of State.

]Seal.[

UNITED STATES OF AMERICA,

STATE OF WASHINGTON.

OFFICE OF THE SECRETARY OF STATE.

Olympia, August 1st, 1896.

I, JAMES H. PRICE, Secretary of State of the State of Washington, do hereby certify that appointment of Thomas Cooper Agent for the Northern Pacific Railway Company was on the 22nd day of July, 1896, filed for record and recorded in Book 3, page 258, Foreign Corporations.

In Testimony Whereof, I have hereunto set my hand and affixed the Seal of State at Olympia, the day and year first above written.

J. H. PRICE,
Secretary of State.

[Seal.]

15.—OREGON.

(a) *Appointment of Agent.*

KNOW ALL MEN BY THESE PRESENTS, THAT

WHEREAS, The Northern Pacific Railway Company, a corporation organized and existing under the laws of the state of Wisconsin, desires to acquire, operate and maintain certain railways in the state of Oregon, and to acquire, hold and dispose of certain other property in said state, and generally to transact the business of a railway carrier in the said state, and to that end proposes to comply with the laws of Oregon regulating the transaction of business therein by foreign corporations, and

WHEREAS, The board of directors of the company has authorized and instructed the president and secretary, in part compliance with such laws, to duly in writing appoint a resident agent, and to file the said appointment, as required by the laws of Oregon;

Now, Therefore, In execution of said power and in compliance with said statutes, said company has constituted and appointed, and does hereby constitute and appoint, Samuel G. Fulton, of the city of Portland, a citizen of the United States and a citizen and resident of the state of Oregon, its attorney, and it does hereby authorize and empower the said Samuel G. Fulton to accept service of all writs and process requisite and necessary to give complete jurisdiction of such corporation to any of the courts of the state of Oregon or of the United States therein, and the said Samuel G. Fulton is hereby constituted the attorney and authorized agent of the company, upon whom lawful and valid service may be made of all writs and process in any action, suit or proceeding commenced by or against said company in any of the courts above mentioned, necessary to give said courts complete jurisdiction of said company.

In Witness Whereof, pursuant to the authority and instruction of the board of directors, said company has caused these presents to be signed by Edward D. Adams, its president, and George H. Gardiner, its secretary, and its seal to be hereto annexed, this 13th day of July, A. D. 1896.

NORTHERN PACIFIC RAILWAY CO.,

[Seal.]

EDWARD D. ADAMS, President.

GEORGE H. GARDINER, Secretary.

STATE, COUNTY AND CITY OF NEW YORK—ss

This certifies that on the 13th day of July, 1896, before me, the undersigned, a Commissioner for the State of Oregon, personally appeared Edward D. Adams, president, and George H. Gardiner, secretary, of the Northern Pacific Railway Company, a corporation organized under the laws of the state of Wisconsin, to me known to be the individuals described in and who executed the foregoing instrument as such president and secretary respectively of said corporation, and severally acknowledged to me that he, the said Edward D. Adams, as president, and he, the said George H. Gardiner, as secretary, of the said corporation executed the same for and on behalf of and as the act and deed of said corporation, for the uses and purposes therein set forth; and the said George H. Gardiner, being by me duly sworn, on his oath said that he is the secretary of said corporation, is acquainted with, is the custodian of and has in his possession the corporate seal of said corporation; that the seal hereinbefore affixed is the corporate seal of said corporation, and was affixed by him as such secretary by order of the board of directors of said corporation, and that he signed his name thereto by like authority of said directors.

In Witness Whereof, I have hereunto set my hand and official seal the day and year in this certificate first above written.

EDWIN F. COREY,

Commissioner for the State of Oregon in New York.

[Seal.]

(b) *Endorsements.*

STATE OF OREGON,
COUNTY OF MULTNOMAH. ss.

I, P. S. MALCOLM, Recorder of Conveyances in and for said county, do here certify that the within instrument of writing was received for record at 11:10 o'clock A. M., the 23rd day of July, 1896, and recorded on page 409, Book 234, of Deeds, of said county.

Witness my hand and seal of office affixed.

P. S. MALCOLM,
Recorder.

[Seal.]

STATE OF OREGON,
COUNTY OF WASHINGTON. ss.

I, J. A. IMBRIE, County Clerk in and for said county, do hereby certify that the foregoing instrument of writing was received for record at 3 o'clock P. M., the 23rd day of July, 1896, and recorded on page 406, of Book One, of Records of Miscellaneous, of said county.

Witness my hand hereto set, and seal of office affixed.

[Seal.]

J. A. IMBRIE,
County Clerk.

By W. W. McKINNEY, Deputy.

STATE OF OREGON,
COLUMBIA COUNTY. ss.

I certify that the within instrument of writing was received for record on the 24th day of July, at 3 o'clock P. M., 1896, and recorded on page 433, in Book Q, Records of Deeds, of said county.

Witness my hand and seal of County affixed.

[Seal.]

JUDSON WEED,
County Clerk.

(c) *Certificates of Filing.*

This certifies that the Northern Pacific Railway Company has, this 23rd day of July, 1896, tendered for record in this office a power of authority appointing Samuel G. Fulton its attorney for the service of process, duly acknowledged, together with the fees required by law for recording the same.

[Seal Multnomah Co.]

H. C. SMITH,
Clerk County Court.
By L. Q. SWETLAND, Deputy.

This certifies that the Northern Pacific Railway Co. has, this 23rd day of July, 1896, filed for record in the office of the Recorder for Multnomah county an acknowledged power of attorney appointing Samuel G. Fulton its agent for the service of process.

[Seal.]

P. S. MALCOLM,
Recorder.
By A. W. WITHERILL, Deputy.

This certifies that the Northern Pacific Railway Co., a corporation organized and existing under the laws of the State of Wisconsin, has this day filed for record in the office of the County Clerk for Washington County, Oregon, a written instrument signed by its president and secretary and duly acknowledged, appointing Samuel G. Fulton its attorney in this state for the service of process.

Hillsboro, Ore., July 23rd, 1896.

Fees $1.25 pd.

J. A. IMBRIE,
Co. Clerk Washington Co.
By W. W. McKINNEY, Deputy.

[Seal.]

This certifies that the Northern Pacific Railway Co., a corporation organized and existing under the laws of the State of Wisconsin, has this day filed for record, in the office of the County Clerk for Columbia County, State of Oregon, a written instrument signed by its president and secretary and duly acknowledged, appointing Samuel G. Fulton its attorney in this state for the service of process.

St. Helens, Ore., July 24th, 1896.

JUDSON WEED,
County Clerk Columbia Co., Oregon.

A.—SYNDICATE AGREEMENT.

Memorandum of agreement, made this sixteenth day of March, 1896, by and between

J. P. Morgan & Co., of New York, and the Deutche Bank, of Berlin (hereinafter called the "Syndicate Managers"), of the first part; and

J. P. Morgan & Co., as reorganization managers of the Northern Pacific Railroad Company (herein called the "Reorganization Managers"), of the second part; and

The Syndicate Subscribers hereto (hereinafter called the "Syndicate"), constituting the party of the third part; every such Syndicate Subscriber being bound only ratably and to the extent of his own subscription, and not for any other subscriber or subscription.

Whereas (pursuant to a plan about to be issued), it is proposed to undertake a reorganization of the affairs of the Northern Pacific Railroad system on the basis of a prior lien four per cent. mortgage and a general three per cent. mortgage, involving about $6,500,000 annual fixed charges for all outstanding bonds (not including sinking-fund charges nor interest on bonds reserved for additional construction requirements, etc.), and with $75,000,000 four per cent. non-cumulative preferred stock and $80,000,000 common stock, it being understood that new prior lien bonds equal at least to the par of any undisturbed existing main-line bonds are to be reserved for the ultimate redemption thereof;

And, whereas, it is proposed that to the extent and in the manner hereinafter provided the Syndicate shall provide the cash requirements of said plan:

Now, therefore, this agreement witnesseth: That, in consideration of the mutual promises herein contained and the expected benefits from the performance thereof;

1. The Syndicate will take and pay for, and the Managers will sell and deliver, the following new securities when issued:
$7,775,000 of new 4 per cent. prior lien mortgage bonds,
$1,172,880 of the new 3 per cent. general mortgage bonds,
$18,767,825 of the new preferred stock (trustees' certificates),
$77,500,000 of the new common stock (trustees' certificates),

for the sum of $19,873,830 in cash, plus any interest accrued on the bonds when delivered.

2. The Syndicate, if so requested by the Reorganization Managers, will further take and pay for the following additional amounts of new securities when issued:

$3,554,960 of the new 4 per cent. prior lien mortgage bonds,

$9,718,120 of the new 3 per cent. general mortgage bonds,

for the sum of $8,875,000 in cash, plus any interest accrued on the bonds when delivered;

Or, if and as requested by the Reorganization Managers, the Syndicate will so take and pay for any part of both or either of such lots of bonds; the ratable price thereof to be fixed by the Syndicate Managers and the Reorganization Managers.

The Reorganization Managers agree to sell to the Syndicate said additional lots of bonds if, and as the proceeds thereof shall be, required by said Managers for the purpose of the reorganization, or such part thereof as may be so required, as above provided.

3. If at any time, for purposes in their opinion calculated to promote the reorganization, the Reorganization Managers shall desire the Syndicate (a) to advance moneys upon the security of certificates approved by the Syndicate Managers entitling their holders to new securities when issued, or (b) to advance moneys upon other security approved by such Syndicate Managers (including coupons, lands or land notes), or (c) to purchase lands or land notes, the Syndicate, upon notice given by the Reorganization Managers to the Syndicate Managers, will make such loans at six per cent. per annum interest, and will make such purchases up to an aggregate amount of loans and purchases not exceeding $15,000,000; but such loans upon lands or land notes or such purchases thereof shall not exceed $3,500,000 in amount. All loans hereunder shall be repaid out of the proceeds of the new securities deliverable hereunder.

4. It is distinctly understood and agreed, anything herein to the contrary notwithstanding, that the total obligations of the Syndicate under this agreement shall not exceed the sum of forty-five million dollars ($45,000,000) in cash.

5. Deliveries of new securities shall be made with reasonable promptness after completion of reorganization, in New York,

London and Berlin, in such proportions as the Syndicate Managers respectively shall request. The Syndicate will perform all its undertakings hereunder from time to time on the call of the Syndicate Managers. The compensation of six and two-thirds per cent. hereinafter provided for is to be paid when and as securities are delivered, and regardless of the aggregate amount of securities delivered.

6. Not over $9,000,000 (20 per cent.) in money shall be called from the Syndicate hereunder in any one month. Payments from the Syndicate Subscribers shall be due only after ten days' written notice from the Syndicate Managers to the Syndicate Subscribers.

7. The Syndicate hereby authorizes the Reorganization Managers, in and by the proposed plan, to offer, for account of the Syndicate, to depositing holders of the preferred stock of the Northern Pacific Company, at $10 per share, preferred stock of the new company to the amount of 176,192 shares, and common stock of the new company to the amount of 176,192 shares, and to offer to the depositing holders of the common stock of the Northern Pacific Company, at $15 per share, common stock of the new company to the amount of 490,000 shares, upon the terms and in the manner provided in said plan and agreement, and the Reorganization Managers hereby agree to make such offer. All moneys paid by the depositing holders of preferred or common stock of the Northern Pacific Railroad Company under said plan and agreement shall be credited on account of the amount payable by the Syndicate under Article I hereof, and may be used by the Reorganization Managers for any purpose of the reorganization.

8. The Reorganization Managers shall pay to the Syndicate Managers for the benefit of the several Syndicate Subscribers in proportion to their respective subscriptions, a commission or compensation of six and two-thirds per cent. in cash on the amount of the subscription hereunder regardless of the amount which the Syndicate shall be called upon to pay or advance.

9. The plan of reorganization may be modified from time to time by the Reorganization Managers, and thereupon this agreement shall apply to such modified plan; but any amendment which the Syndicate Managers shall deem seriously to impair the value of the new securities shall have their joint

written approval. The Reorganization Managers may finally abandon the plan, including all modifications thereof, and in such event this agreement shall cease to be of any future effect, and no compensation thereunder shall be due the Syndicate.

10. The Reorganization Managers shall have and from time to time may exercise all powers as stated in the reorganization agreement and plan, including the right, in their discretion, to fix, limit or extend the time within which any bondholder may deposit bonds, or any stockholder may purchase stock, and to waive any forfeiture in respect thereof.

11. Failure of any Syndicate Subscriber to perform any of his undertakings hereunder shall not release any other Syndicate Subscriber, except with the written consent of the Syndicate Managers. The Syndicate Managers may accept new Syndicate Subscribers from time to time in place of any subscriber released by them, or who shall fail to perform his undertakings hereunder.

12. The Syndicate Managers, in behalf of the Syndicate, may make any and all arrangements necessary or expedient to carry out the purposes of this agreement substantially as herein set forth; or to promote or protect what they deem to be the best interests of the Syndicate.

13. The Syndicate Managers may decide whether the bonds and stock, or either, deliverable hereunder (except such stock as shall have been sold to depositing stockholders of the old company) shall or shall not for a period not exceeding one year after delivery be held subject to the Syndicate Managers' control, i. e., "syndicated," for the purpose of sale by them for the ratable benefit of Syndicate Subscribers; and the Syndicate Managers may take all proper steps and adopt all reasonable precautions to carry such decision into effect. In case the bonds and stock be so "syndicated," the Syndicate Managers may sell the same, or any part thereof, for the benefit of the Syndicate, charging a commission of one per cent. on the proceeds thereof, in addition to all expenses by them incurred, and they may require each Syndicate Subscriber to supply his ratable share of the bonds or stock so sold (which each Syndicate Subscriber, for himself, agrees to do), receiving his ratable share of net proceeds of such sales.

14. The Syndicate Managers shall not be liable under any of the provisions of this agreement, or any matter connected therewith, and in like manner the Reorganization Managers shall not be liable under any of the provisions of this agreement or any matter connected therewith, except in each instance for good faith and the exercise of reasonable diligence. The Syndicate Managers may become Syndicate Subscribers hereto, and in that event they shall be liable for their Syndicate subscriptions in the same way as, and ratably with, other Syndicate Subscribers.

15. All notices to American members of the Syndicate shall be sufficient if signed by or for J. P. Morgan & Co. for the Syndicate Managers, and to other members if signed by or for the Deutsche Bank in like manner.

16. Each and every party hereto, upon reasonable request, will from time to time execute, deliver and perform all further written agreements necessary or proper to carry this agreement into effect.

17. This agreement shall bind and benefit not only all the parties hereto, but their respective executors, administrators, survivors, successors and assigns.

The respective Syndicate Subscribers, on signing this agreement, shall set opposite their respective names the amount of their resspective subscriptions on account of the whole Syndicate obligation hereunder; and each Subscriber shall be liable only for such ratable part of the whole obligation of the Syndicate as shall bear the same ratio to such whole obligation as the amount of his subscription bears to $45,000,000.

Nothing herein contained, or otherwise, shall constitute the Syndicate Subscribers partners, or render them liable to contribute more than such ratable amounts as aforesaid.

In witness whereof, the parties hereto, being the Syndicate Managers, the Reorganization Managers and the Syndicate Subscribers, have at various dates affixed their subscriptions hereto, it being understood that, for convenience, this agreement may be signed in several parts and copies with like force and effect as if all of the signatures were put to one part or copy thereof."

REPORT AND ACCOUNTS

OF

J. P. MORGAN & CO.

AS

REORGANIZATION MANAGERS

OF THE

NORTHERN PACIFIC RAILROAD COMPANY.

(Under Plan and Agreement of Reorganization,

Dated March 16, 1896.)

23 Wall Street,
New York, April 14, 1897.

To the Board of Directors of the Northern Pacific Railway Company:

Pursuant to Article Ninth of Agreement of Reorganization, the Reorganization Managers beg to submit their accounts as follows:

1. Summary of Cash Receipts and Disbursements.
2. Betterment Fund and Estimate of Cash Assets in Treasury.
3. Conversion of Old Securities.
4. Disposition of New Securities.
5. Disposition of Deposited Securities.
6. Disposition of Securities Acquired by Foreclosure Sale of Northern Pacific Railroad Company, etc.
7. General Memoranda.

Very respectfully,

As Reorganization Managers.

No. 1.

NORTHERN PACIFIC R. R. CO. REORGANIZATION MANAGERS.

SUMMARY OF RECEIPTS AND DISBURSEMENTS.

Received as per Section 1 of Syndicate Contract		$19,873,830.00
Received as per Section 2 of Syndicate Contract for $3,031,000 3% G. L. Bonds		1,818,600.00
Received $23,000 N. P. Terminal Co. Bonds (cum January, 1897, Coupon)		24,853.75
Received $716,000 C. & No. Pac. Bond Receipts		290,882.50
Received $58,000 N. P. Ry. Co. 4% P. L. Bonds		49,300.00
Received 3,544 shares N. P. Ry. Co. Preferred Stock Trust		127,022.50
		$22,184,488.75
Paid Commission to Syndicate as per Section 8 of Syndicate Contract		$3,000,000.00
Paid Commission to Reorganization Managers as per page 15 of Plan of Reorganization		1,000,000.00
Paid other expenses (Schedule A, with vouchers attached)		2,497,704.50
Paid E. D. Adams to acquire Judgments (Vouchers Nos. 2 and 7)	$35,000.00	
Less repaid April 8, 1897	10,145.69	
		24,854.31
Paid for Northwest Equipment Stock	$3,000,000.00	
and one month's Interest, @ 6%	15,000.00	
various adjustments	309.01	
		3,015,309.01
Deposited with U. S. Circuit Court for Eastern District of Wisconsin, for undeposited Bonds, as per Decree, dated April 27, 1896 (Voucher No. 68 herewith)		450,300.00
Paid Account Chicago & Northern Pacific Settlement, viz. (vouchers attached):		
1896.		

No. 114. Nov. 11. W. Allan Butler, Jr., Treas., acct. Judgments and Preferred Claims	$3,500.00	
No. 137. Nov. 30. W. Allan Butler, Jr., Treas., acct. Judgments and Preferred Claims	2,500.00	
No. 152. Dec. 14. W. Allan Butler, Jr., Treas., acct. Judgments and Preferred Claims	2,500.00	
No. 154. Dec. 17. Dainell Claim 1897.	1,818.56	
No. 174. Jan. 5. Turner, McClure & Rolston, expenses *re* Dainell Claim.	103.89	
		10,422.45
Paid Northern Pacific Receivers' Certificates, $4,900,000, @ 101 %	$4,949,000.00	
Interest (2 months, 8 days)	55,533.33	
		5,004,533.33
Paid Cœur d'Alene Foreclosure Expenses (vouchers attached) viz.:		
Receivers (Voucher sent C. W. Bunn)	$5,000.00	
No. 169. Deposit with Special Masters	10,000.00	
No. 197. Central Trust Co.....	1,000.00	
No. 196. Butler, Notman, Joline & Mynderse	3,489.77	
		19,489.77
Paid Interest to Depositing Bondholders, viz.:		
$19,158,000 2ds, @ $40.....	$766,320.00	
11,314,000 3ds, @ $30.....	339,420.00	
45,104,000 Consols, @ $15.....	676,560.00	
	$1,782,300.00	
Less Interest on new Securities, September 1st to December 31, 1896 contributed by N. P. Ry. Co.....	788,135.83	
		944,164.17

Paid in Spokane & Palouse Bond Purchase, viz.:		
$1,766,000 Bonds @ $8.33.....	$14,710.78	
1,766,000 Bonds @ $55.00.....	971,300.00	
		986,010.78
Paid in Duluth & Manitoba Bond Purchase (vouchers attached for payments to Guaranty Trust Co.), viz.:		
1896.		
No. 53. July 14. Guaranty Trust Co.	$196,200.00	
No. 90. Sept. 21. Guaranty Trust Co.	32,850.00	
No. 94. Oct. 5. Guaranty Trust Co...	172.53	
No. 146. Dec. 5. Guaranty Trust Co..	28,298.87	
1897.		
No. 187. Feb. 11. Guaranty Trust Co.	2,182.00	
No. 188. Feb. 15. Guaranty Trust Co. Balance with above items to complete purchase of $1,445,000 Dakota Div. Bonds.....	1,185,301.39	
1896.		
Dec. 18. Johnson Livingston.....	23,000.00	
1897.		
Feb. 15. Johnson Livingston — Balance with above item to complete purchase of $200,000 Minnesota Div. Bonds	163,250.00	
	$1,631,254.79	
Less Coupons January 1, 1897, on $200,000 Minnesota Div. Bonds..	5,000.00	
		1,626,254.79
Paid Account $5,000,000 Fund to Northern Pacific Ry. Co.:		
No. 72. For Construction (voucher attached)	$10,000.00	
No. 36. For Note of Northern Pacific Railway Co. (attached)	25,000.00	
No. 81. For Note of Church and Kent (attached)	50,008.33	

No. 51. For Superior & St. Croix Stock	11,351.18	
To Northern Pacific Ry. Co., April 1st, 1897	3,000,000.00	
To Northern Pacific Ry. Co., April 1st, 1897	459,086.13	
		3,555,445.64
		$22,184,488.75

E. & O. E.
New York, April 14, 1897.

As Reorganization Managers.

No. 2.

BETTERMENT FUND.

Estimated in Plan at		$5,000,000.00
As shown by the statement of Receipts and Disbursements, there has already been provided in cash, for use by the Railway Company		$3,555,445.64
There is to be collected for the United States Circuit Court, at Milwaukee, the dividend on:		
$80,000 N. P. 2d, @ par	$80,000	
47,000 N. P. 3d, @ 65	30,550	
181,000 N. P. Consols, @ 35	63,350	
	$173,900	
Less 1% Court fee	1,739	
		172,161.00
The Central Trust Company holds for special use on the St. Paul and Northern Pacific Railway Company, about		150,000.00
To be used out of sale of Chicago and Calumet Terminal		1,122,393.36
		$5,000,000.00

ESTIMATE OF CASH ASSETS IN TREASURY AVAILABLE FOR ANY PURPOSE.

$3,380,000 3s to yield @ 60		$2,028,000	
Chicago & Calumet Terminal, to yield, say	$2,000,000.00		
Less used for betterment fund	1,122,393.36		
Or say		875,000	
Land notes from Syndicate	$1,223,900.00		
After paying J. P. M. & Co. $270,858.51, the balance due as per statement, page 15, remainder worth, say		700,000	
Alley property (cost $800,000)		350,000	
			$3,953,000

Old Securities		Northern Pacific Railway Company				
		Cash	Prior Lien 4% Bonds	General Lien 3% Bonds	Preferred Stock Shares	Common Stock Shares
Northern Pacific R.R. General 1st Mortgage Bonds	$24,590,000	$331,965	$33,196,500			
" " " 2d Mortgage Bonds	19,158,000		22,702,230		95,790	
" " " 3d Mortgage Bonds	11,314,000			$13,407,090	56,570	
" " " Cons. Mortgage Bonds	45,104,000			29,994,160	281,900	
" " " Coll. Trust Notes	9,494,000	379,760	9,494,000		18,988	
" " " Dividend Certificates	500,316.90			590,373,942	2,502	
" " " Preferred Stock	35,238,300				176,191	176,191
" " " Common Stock	49,000,000					490,000
Northern Pacific & Montana R. R. 1st Mortgage Bonds	5,381,000			2,690,500	26,905	
James River Valley R. R. 1st Mortgage Bonds	963,000			481,500	4,815	
Northern Pacific & Manitoba R. R. Terminal Bonds	650,000			325,000	3,250	
Spokane & Palouse R. R. 1st Mortgage Bonds	1,766,000	927,150		927,150	4,415	
Helena & Red Mountain R. R. 1st Mortgage Bonds	400,000				4,000	
Cœur d'Alene Ry. & Nav. Co. 1st Mortgage Bonds	360,000				10,000	
Cœur d'Alene Ry. & Nav. Co. General 1st Mortgage Bonds	878,000				8,780	
Totals		$1,638,875	$65,392,730	$48,415,773,942	694,106	666,191

No. 4. DISPOSITION OF NEW SECURITIES.

	Prior Lien Bonds	General Lien Bonds	Preferred Stock	Common Stock
Received by Managers	$73,816,500	$56,000,000	$75,000,000	$80,000,000
Used for conversions and assessments	$65,393,000	$48,416,000	$69,410,600	$66,619,100
Account land notes and land contracts purchased	580,000	.....	.....	.....
Sold account Reorganisation	58,000	.....	354,400	.....
Sold to Syndicate	7,775,000	4,204,000	1,148,700	10,880,900
	$73,806,000	$52,620,000	$70,913,700	$77,500,000
On hand	10,500	3,380,000	4,086,300	2,500,000
	$73,816,500	$56,000,000	$75,000,000	$80,000,000

No. 5. DISPOSITION OF SECURITIES OF NORTHERN PACIFIC R. R. CO. RECEIVED UNDER PLAN.

	Firsts	Seconds	Thirds	Dividends	Consols	Coll. Trust	Equipments	Preferred	Common
Deposited by public	$24,590,000	$19,158,000	$11,314,000	$500,316.90	$45,104,000	$9,494,000	$3,000,000	$33,713,130.82	$42,114,900
Turned over to Mercantile Trust Co. as Trustee of Prior Lien Mortgage	$24,590,000								
Used as part payment of property purchased at foreclosure and land sales, per decree of court dated		$19,078,000*	$11,267,000*		$44,923,000*				
Surrendered for underlying securities, per decree of court dated						$9,494,000			
Delivered to Northern Pacific Ry. Co.		$80,000	$47,000	$500,316.90	$181,000		$3,000,000	$33,713,130.82	$42,114,900
	$24,590,000	$19,158,000	$11,314,000	$500,316.90	$45,104,000	$9,494,000	$3,000,000	$33,713,130.82	$42,114,900

*Stamped with dividend from sales per decree of court, and held by Mercantile Trust Co. account of Northern Pacific Railway Co.

DISPOSITION OF SECURITIES OF BRANCH LINES RECEIVED UNDER PLAN.

	Cœur d'Alene		Duluth & Manitoba		Manitoba Terminals	Helena & Red Mtn.	James River Valley	Northern Pac. & Montana	Spokane and Palouse (Wash. Div.)
	Firsts	Generals	Minn. Div.	Dakota Div.					
Total amount held by public	$360,000	$878,000	$1,650,000	$1,451,000	$650,000	$400,000	$963,000	$5,381,000	$1,766,000
Received	$358,000*	$877,000	$200,000	$1,445,000*	$650,000	$381,000	$962,000	$5,287,000	$1,755,000
New securities are reserved to acquire		$1,000				19,000	1,000	94,000	11,000
	$358,000	$878,000	$200,000	$1,445,000	$650,000:	$400,000	$963,000	$5,381,000::	$1,766,000
Of securities received:									
Used to acquire property at foreclosure (duly conveyed to N. P. Ry. Co.)	358,000§	877,000§							
Delivered to Trustees Prior Lien Mortgage as stated therein					$650,000	$309,000	$962,000	$5,213,000	
Delivered since to Trustees Prior Lien Mortgage			$200,000	$1,445,000		72,000		74,000	$1,755,000
	$358,000	$877,000	$200,000	1,445,000	$650,000	$381,000	$962,00	$5,287,000	$1,755,000

: $100,000 additional accounted for in Statement No. 6.

:: $3,462,000 additional accounted for in Statement No. 6.

§ Stamped with dividend from foreclosure sale and delivered to Northern Pacific Railway Co.

No. 6.

SECURITIES ACQUIRED BY FORECLOSURE OF NORTHERN PACIFIC RAILROAD CO. MORTGAGES,

AND FROM THE RECEIVERS' CERTIFICATES AND COLLATERAL TRUST NOTES, AND DISPOSITION THEREOF.

These are shown in detail in Schedules of January 31, 1896. The only securities therein specified that are not appertaining to the foreclosure, the Receivers' Certificates or the Collateral Trust Notes, and consequently not to be accounted for hereunder, being:

First. Those "In hands of Public," which, so far as received, are accounted for in Schedule 5 hereof.

Second.

$2,210.00	Northern Pacific R. R. Co. Preferred Stock.
250,000.00	Stock Union Depot Co. of Spokane Falls.
400.00	Stock Lake Superior and Puget Sound Land Co.
250.00	Stock First Regiment Armory, Seattle.
500,000.00	Northern Pacific Coal Co. Subscription.
4,726,000.00	Northern Pacific Consols (from Receivers' Certificates. MEMO.: These bonds are stamped "Cancelled," etc., pursuant to order of Court, March 22, 1897).
3,159.80	Northern Pacific Dividend Scrip (in Treasury).
167,000.00	Northern Pacific R. R. Co. Comomn Stock.
1,482.81	Northern Pacific R. R. Co. Preferred Stock.
1,300.00	Seattle, Lake Shore & Eastern Stock.
125,000.00	Duluth Union Depot & Transfer Co. Stock (held under N. P. R. R. 1st Mortgage).
44,361.76	Northern Pacific Terminal Co. Stock.
95,000.00	Judgment Yakima & Pacific Coast R. R.
50,000.00	Portland (Oregon) Water Bonds.
7,800.00	Receivers' Certificates, L. F. & D. R. R.
60,000.00	Receivers' Certificates, N. P. & P. S. R. R. Co.
6,768.12	Soldiers' Additional Homestead Scrip.
230,000.00	Wisconsin Central Improvement Co. Bonds.

The securities received have been disposed of as follows:

First. Delivered to Mercantile Trust Company (New York), as Trustee under Prior Lien Mortgage of Northern Pacific Railway Company, dated November 10, 1896:

BONDS.

Little Falls & Dakota Railroad Company	$1,577,429.00
Northern Pacific, Fergus & Black Hills Railroad Company	2,102,701.00
Duluth, Crookston & Northern Railroad Company	889,000.00
Fargo & Southwestern Railroad Company	1,569,398.00
Northern Pacific, La Moure & Missouri River Railroad Company	318,000.00
Sanborn, Cooperstown & Turtle Mountain Railroad Company	665,750.00
Jamestown & Northern Railroad Company	1,843,916.00
Jamestown & Northern Extension Railroad Company	270,000.00
Southeastern Dakota Railroad Company	133,000.00
Northern Pacific & Montana Railroad Company	3,462,000.00
Rocky Mountain Railroad Company of Montana	942,941.00
Northern Pacific & Montana Railroad Company	3,462,000.00
Northern Pacific & Manitoba Railway Company Terminal Bonds	100,000.00
Helena & Jefferson County Railroad Company	366,599.00
Spokane Falls & Idaho Railroad Company	270,000.00
Spokane & Palouse Railway Company (Idaho Division)	1,218,000.00
Green River & Northern Railroad Company	375,000.00
Northern Pacific & Cascade Railroad Company	388,000.00
Northern Pacific & Puget Sound Shore Railroad Company	1,383,000.00
United Railroads of Washington	5,298,000.00
Clealum Railroad Company	68,000.00

STOCKS.

Duluth, Crookston & Northern Railroad Company	$5,000,000.00
Northern Pacific, La Moure & Missouri River Railroad Company	318,000.00
Jamestown & Northern Extension Railroad Company	1,600,000.00
Southeastern Dakota Railroad Company	133,500.00
Northern Pacific & Manitoba Railroad Company	1,000,000.00
Spokane Falls & Idaho Railroad Company	500,000.00

Northern Pacific & Cascade Railroad Company..	225,000.00
Northern Pacific & Puget Sound Shore Railroad Company	275,000.00
Tacoma, Orting & Southeastern Railroad Company	172,000.00
Clealum Railroad Company.....	300,000.00
Rocky Fork & Cooke City Railway Company....	2,000,000.00
Green River & Northern Railroad Company.....	424,000.00
Duluth & Manitoba Railroad Company.....	2,000,000.00
Helena & Red Mountain Railroad Company.....	204 000.00
Little Falls & Dakota Railroad Company.....	1,460,207.50
Helena & Jefferson County Railroad Company..	402,000.00
United Railroads of Washington.....	4,961,000.00
Fargo & Southwestern Railroad Company.....	4,000,000.00
Jamestown & Northern Railroad Company.....	3,200,000.00
Northern Pacific, Fergus & Black Hills Railroad Company	15,000,000.00
James River Valley Railroad Company.....	1,000,000.00
Northern Pacific & Montana Railroad Company	5,306,100.00
Rocky Mountain Railroad Company of Montana	1,000,000.00
Sanborn, Cooperstown & Turtle Mountain Railroad Company	300,000.00
Spokane & Palouse Railway Company.....	1,000,000.00
Duluth Union Depot & Transfer Company.....	25,000.00
Minnesota Transfer Railway Company.....	7,000.00
St. Paul Union Depot Company.....	50,000.00
Winnipeg Transfer Railway Company, Limited..	50,000.00
Northern Pacific Coal Company.....	100,000.00
Northern Pacific Express Company.....	343,000.00

Second. Delivered to J. P. Morgan & Co., as fiscal agents of Northern Pacific Railway Co.:

BONDS.

Central of Washington Railroad (Reorganization Receipts)	$400,000
Central of Washington Railroad (Order).....	30,000
Minnesota Transfer Company.....	103,000
Chicago & Calumet Terminal Railway Company (also $900,000 coupons)	6,000,000
St. Paul, Eastern & Grand Trunk Railway.....	10,000

Superior Consolidated Land Company	20,000
Northern Pacific Railroad Company Seconds (stamped with dividend)	10,000
Northern Pacific Railroad Company Thirds (stamped with dividend)	44,000
Northern Pacific Railroad Company Consols (stamped with dividend)	7,015,000
Northern Pacific Railroad Company Consols (stamped "Cancelled," &c., pursuant to Decree of Court, March 22, 1897. These came from Northwest Equipment Co.)	2,000,000
Northern Pacific & Manitoba Railway Company (Terminal Coupons)	2,500

STOCK.

St. Paul & Northern Pacific Railway Company	$7,000,000
Central of Washington Railroad Company	1,500,000
Cœur d'Alene Railway & Navigation Company	1,000,000
Montana Union Railway Company	425,000
Seattle, Lake Shore & Eastern Railway Company	3,162,650
Chicago Union Transfer Railway Company Common	40,000
Chicago Union Transfer Railway Company Preferred	40,000
Lake Superior Terminal and Transfer Company	15,700
Minneapolis Railway Terminal Company	50,500
Fidalgo Land Company	400,739
N. P., Yak & Kitt. Irrig. Company	121,100
Northern Land & Development Company	50,100
Superior Consolidated Land Company	630,200
Tacoma Land Company	500,050
Virginia Land & Townsite Company	250,000
Yakima Investment Company	242,200
Cascade Mountain Coal Company	500,300
Rocky Fork Coal Company	315,450
Dakota Car Company	500,000
Duluth Manufacturing Company	4,768
Minneapolis Stock Yards & Packing Company	86,400
Minneapolis Industrial Exposition	250
Puget Sound & Alaska Steamship Company	600,000
Yellowstone Park Association	208,800
World's Fair Columbian Exposition	33,340

Chicago & Calumet Terminal Railway Company..... 5,000,000
Chicago & Northern Pacific Railway Company..... 4,080,600
Chicago & Northern Pacific Railway Company (Beneficial Certificates) 15,010,000
New Brighton Land Co..... 13,600
Third. Otherwise accounted for:

BONDS.

Chicago & Northern Pacific R. R. Co.:
$716,000 sold (see Statement No. 1).
280,000 used for C. & N. P. Settlement.
2,500,000 to be used in C. & N. P. Settlement.
St. Paul & Northern Pacific Ry. Co.:
$188,000, which are to be cancelled.
Northern Pacific R. R. Co. Collateral Trust Notes:
$10,275,000, surrendered in order to obtain collaterals, which are accounted for above.
Northern Pacific Terminal Co.:
$23,000 sold (see Statement No. 1).
E. & O. E.
New York, April 14, 1897.

As Reorganization Managers.

No. 7.

GENERAL MEMORANDA.

Properties Acquired.

All the properties mentioned in the Plan of Reorganization have been acquired either by direct ownership or through ownership of securities as contemplated in the plan, excepting the Central of Washington Railroad and the Seattle, Lake Shore & Eastern Railroad.

Duluth & Manitoba.

Early in the reorganization, it was thought well to purchase these bonds for cash. This was accomplished through the Reorganization Managers, the Railway Company subsequently assuming the contract, and payments have been made as shown in Statement No. 1.

On July 1, 1897, there will be payable $1,174,500 plus interest from January 1, 1897 (being balance due on $1,450,000 Minnesota division bonds), for which it has been heretofore estimated the Liquidation Fund shall provide.....	$500,000
And the adjustment of earnings to July 1, 1897....	500,000
$103,000 Minnesota Transfer Company Bonds....	103,000
Other assets	71,500
	$1,174,500

If found more convenient, however, enough of the

$10,500	4s.,	
3,580,000	3s.,	
4,086,300	Preferred Stock,	can be used to meet the
2,509,000	Common Stock.	payment,

or the Railway Company can recoup itself out of the Calumet Terminal in excess of $1,122,393.36 when sold.

Purchase of Land Notes and Land Contracts.

The following correspondence explains itself:

New York, September 26, 1896.

Northern Pacific Railway Company,
City.

Dear Sirs—Pursuant to agreement with you, we hereby purchase from you at par the land notes and land contracts now held by you for the purchase moneys of lands under the Pend d'Oreille Mortgage of the Northern Pacific Railroad Company, and will pay such price at such dates as may correspond to the calls about to be made for the $334,000 outstanding Pend d'Oreille Bonds and $809,000 General First Mortgage Bonds, it being understood, pursuant to your agreement, that payment direct to Trustee of either mortgage shall constitute payment to you.

If there are not enough surplus land notes and contracts in the Pend d'Oreille trust to provide for $809,000 General Firsts, we will accept in fulfillment of our purchase enough land notes and land contracts now held by you for the purchase money of lands under General First Mortgage to make up the difference.

Yours truly,
J. P. MORGAN & CO.

ON GREAT NORTHERN LINE, IN MONTANA,
October 8, 1896.

Messrs. J. P. Morgan & Co.,
New York City.

GENTLEMEN—I have to acknowledge the receipt of your letter of the 26th ultimo, confirming telegram in relation to the purchase from this Company, at par, of the land notes and land contracts now held by us for the purchase moneys of lands under the Pend d'Oreille Mortgage of the Northern Pacific Railroad Company, all pursuant to the agreement and hereby confirmed.

Yours very truly,
EDWIN W. WINTER,
President.

New York, December 31, 1896.

Northern Pacific Railway Company,
New York City.

DEAR SIRS—Referring to our letter to you under date of September 26th, and your reply under date of October 8th, we have to recall to your attention that our agreement with you to purchase at par the land notes and land contracts now held by you for purchase money of lands under the Pend d'Oreille Mortgage of the Northern Pacific Railway Company was made with the purpose of putting your company in funds to enable the Trustees under the respective mortgages to meet the calls then published on account of the several sinking funds for $334,000 outstanding Pend d'Oreille Bonds and $809,000 General First Mortgage Bonds, and that our agreement of purchase was based upon necessity of making provision for such calls.

In view of the fact that this proceeding has so resulted as to relieve your company from a contribution of over $400,000 to the sinking funds, it seems to us in accordance with the spirit of our transaction that this $400,000 so retained by you should be applied in the repurchase from us of the land notes and land contracts to a corresponding amount or approximately so, and accordingly we offer to you for $400,000 such land notes and land contracts for the principal sum of $390,401.37 with all unpaid interest thereon. We hand you a schedule of such notes and contracts, entitled "Schedule of Land Contracts, Subject to General First Mortgage, Sold by Northern Pacific Railway

Company to J. P. Morgan & Co., Showing the Amount of Principal Unpaid and Outstanding Thereon."

If agreeable to you to accept this offer on these terms and to complete this transaction this day, we shall be glad if it can be done.

Awaiting your reply we are,

Yours very truly,

J. P. MORGAN & CO.

NORTHERN PACIFIC RAILWAY COMPANY,

New York, December 31, 1896.

Messrs. J. P. Morgan & Co.,

23 Wall Street, New York.

GENTLEMEN—I have to acknowledge the receipt of your letter of this date, referring to the basis of our original agreement for your purchase of Land Notes and Land Contracts, as stated in your letter of September 26th and in our reply of October 8th, and I have to say that this Company hereby accepts your offer to sell to this Company, at par, $400,000 of the land notes and land contracts by you purchased under the correspondence above mentioned. Accordingly, herewith I hand you the check of this Company for such sum of $400,000, to be accepted by you in payment for the corresponding amount of the said land notes and land contracts.

I am,

Yours very truly,

EDWARD D. ADAMS,

Chairman.

The present situation is shown in the following account:

NORTHERN PACIFIC LAND PURCHASE, IN ACCOUNT CURRENT WITH J. P. MORGAN & CO.

Dr.

1896.		
Nov. 24	To Cash paid Farmers' Loan and Trust Co.	$338,676.00

DEFENDANTS' EXHIBIT W. GRAY.—*Cont.*

Dec. 30.	To Cash paid Central Trust Co. to pay $809,000 1st Mortgage Bonds.....	914,170.00
		$1,252,846.00
Dec. 30.	To Balance	$270,858.51

1896

Cr.

Nov. 30.	By Repayment of Interest by Farmers' Loan and Trust Co.....	4,676.00
Dec. 18.	By Cash from Land Dept., Nor. Pac. Ry., Collns., Sept., 1896.....	8,095.19
Dec. 18.	By Cash from Land Dept., Nor. Pac. Ry., Collns., Oct., 1896.....	31,084.76
Dec. 29.	By Cash from Land Dept., Nor. Pac. Ry., addl. Collns., Sept., 1896.....	39.40
Dec. 29.	By Cash from Land Dept., Nor. Pac. Ry., Collns., Nov., 1896.....	20,822.14
Dec. 31.	By Cash from Northern Pacific Ry.....	400,000.00
Dec. 31.	By Cash from Nor. Pac. Ry., reimbursement of interest paid Central Trust Co., Dec. 30, 1896.....	24,270.00
Dec. 31.	$580,000 Prior Lien Bonds, at 85.....	493,000.00
Dec. 31.	Balance	270,858.51
		$1,252,846.00

As this purchase was made to promote the reorganization, we are ready to resell to the Railway Company the uncollected Pend d'Oreille land notes and land contracts, upon payment of their cost to us as shown above, with interest from December 31, 1896.

E. & O. E.

New York, December 31, 1896.

Chicago and Northern Pacific Settlement.

As this settlement has not yet been fully carried out, the papers bearing upon it are submitted:

ROUGH MEMORANDUM OF BASIS FOR SETTLEMENT BETWEEN CALUMET* AND CHICAGO & NORTHERN PACIFIC INTERESTS.

1. Calumet and Chicago & Northern Pacific properties to be united.

2. Calumet to get for its whole issues—to wit, $6,000,000 bonds and $5,000,000 stock—or for its entire property, the equivalent of $5,000,000 present Chicago & Northern Pacific bonds. The plan of reorganization to be substantially as now outlined, or as hereafter agreed upon.

3. Receivers to settle their own accounts. All other accounts to be scored off absolutely, without claim on either side.

4. Northern Pacific Reorganization to return to Chicago & Northern Pacific Reorganization $2,500,000 Chicago & Northern Pacific bonds, or their equivalent in new securities.

5. Northern Pacific Reorganization to have right to protect itself in their respect by turning in the $2,500,000 old bonds, whenever practicable, regardless of "time limits," etc.

6. No personal responsibility on either side, but Northern Pacific Reorganization Managers and Committee and Chicago & Northern Pacific Committee will endeavor in good faith to carry this out and to obtain any necessary consents.

7. Both sides co-operate to do all they can to aid each other in legal proceedings, and to protect each other.

8. Northern Pacific Reorganization to select one-seventh (at least one) of Voting Trust, and proportionate representation in new Board.

9. The Reorganization Managers and Reorganization Committee of the Northern Pacific agree that they will use every endeavor to place the control of the Board of the Chicago & Northern Pacific into the hands of the Chicago & Northern Pacific Bondholders' Committee as soon as possible after the execution of the contract embodying the foregoing and this provision, which is to be drawn up between the counsel of the Chicago & Northern Pacific Reorganization Committee and Mr. Stetson, the counsel of the Reorganization Managers of the

*i. e., Northern Pacific.

Northern Pacific, and, for this purpose, of the Reorganization Committee of the Northern Pacific; or that, in lieu of such control, the stock of the Chicago & Northern Pacific which is either owned by the Northern Pacific or in which Northern Pacific Company has an equity shall be by the Reorganization Managers and such Reorganization Committee of the Northern Pacific deposited with the Reorganization Committee of the Chicago & Northern Pacific, under a plan of reorganization of the Chicago & Northern Pacific which may be hereafter formulated, as soon as control of such stock can be obtained, by such Reorganization Managers or Reorganization Committee of the Northern Pacific, or both.

New York, April 16, 1896.

C. H. C.,
H. B.,
On behalf of C. & N. P. Bondholders' Committee.

New York, August 31, 1896.

A. L. Hopkins, Esq., Receiver,
Chicago & Northern Pacific R. R. Co.,
26 Cortland Street, New York.

DEAR SIR—Mr. William Allen Butler has handed us your letter of August 26th, addressed to him as Secretary of the Bondholders' Committee of the Chicago & Northern Pacific Railroad Company; also the letter therein referred to from General Manager Ainslie to you as Receiver of the C. & N. P. R. R. Co., dated August 24th; also an original contract, dated July 15, 1896, between the Pennsylvania Company and the Hammond & Blue Island Railroad Company, to which signature of the Chicago & Calumet Terminal Railway Company is desired; also a draft of contract between the Pennsylvania Company, the Hammond & Blue Line Railroad Company, and the Chicago & Calumet Terminal Railway Company.

We note from your letter to Mr. Butler that you think it to the interest of the Calumet Terminal Company *"that the contract"* should be executed.

We presume that in point of fact this expression of opinion relates to both the *contracts* in question, for, as we understand the matter, they are interdependent.

We note from General Manager Ainslie's letter that under the proposed agreement with the Hammond Company the Chicago & Northern Pacific Co. will save just one-half of maintaining the existing interlocking plant, or, say, about $40 per month, and by declining to enter into an agreement would gain nothing whatever.

We also note that you desire our approval of the execution of "this contract," or, we suppose, these contracts.

We therefore beg to say that so far as we represent stock or bonds of the Chicago & Calumet Terminal Railway Company we have no objection to the execution of the contract (or contracts) you refer to on the basis set out in Mr. Ainslie's letter.

We return herewith all the papers referred to in this letter.

Yours very truly,

(Signed) J. P. MORGAN & CO.

New York, September 1, 1896.

C. H. Coster, Esq.,
Care of Messrs. J. P. Morgan & Co.:

DEAR SIR—At a meeting of the Chicago & Northern Pacific Bondholders' Committee held today the following resolution was duly passed:

> *"Resolved,* That the Calumet interests be requested to execute the proposed contract with the Hammond & Western as amended at this meeting."

I enclose herewith copy of the contract referred to in the above resolution. This copy contains the amendments made at the meeting of the Bondholders' Committee held today.

I understand that Mr. Ainslie, General Manager of the Calumet Road, is ready to execute all contracts when instructed to do so by the Managers of the Northern Pacific Reorganization.

Respectfully,

(Signed) GEO. P. BUTLER,

For the Bondholders' Committee, C. & N. P. R. R.

New York, September 19, 1896.

C. H. Coster, Esq.:

Dear Sir—Referring to proposed agreement between the Calumet and Hammond Companies, and more particularly to

the obligation contained therein requiring the Calumet Company to construct a second track between Blue Island and McCook and make certain changes in grade prior to July 1, 1897, I beg to advise that estimated cost of proposed work is $152,000. The Calumet Company has now $35,000 in bank. Its present net earnings aggregate $10,000 per month. In the event of the contemplated sale of the property to the C. & N. P. R. R. not being consummated before July 1, 1897, the Calumet would still be able to meet the construction expenditures, provided present funds and future earnings are not diverted to other purposes.

I regard proposed agreement manifestly to the interest of the Calumet. It will result in increased earnings and largely reduce taxes and operating expenses, and I would recommend the prompt execution of contract as finally drafted and agreed upon by all parties interested.

I enclose corrected copy of agreement.

Very truly,

(Signed) S. R. AINSLIE.

New York, September 23, 1896.

CHICAGO & NORTHERN PACIFIC BONDHOLDERS' COMMITTEE.

Messrs. J. P. Morgan & Co.,
Managers of the Reorganization of the
Northern Pacific Railway Company:

Gentlemen—We desire, in connection with a letter of even date herewith, approving a certain contract between the Hammond & Western Railway Company and the Chicago & Calumet Terminal Railway Company, to draw attention to a fact communicated to us; viz., that in the interest of the Hammond people a rival line is being constructed into the Standard Oil Works at Whiting.

As the Calumet income is largely derived from the business of the Standard Oil Works, this competition, if effectual, will necessarily impair the earning power of the Calumet and possibly make our bondholders reluctant to acquire the property.

If this competition is inevitable, it would seem to us still in the interest of the Calumet Company to execute the contract this day sent to you, on the assumption that it was and still

is in the power of the Hammond Company to duplicate the Calumet line from Blue Island to McCook, as they have duplicated it east of Blue Island to its present terminus at Hammond, because the distribution of the Standard Oil Company's business to the extent at least that it goes over the line from Blue Island to McCook will indirectly yield, even if it is to some extent placed in the hands of the rival company, a revenue to the Calumet Company.

Therefore, do not look upon our approval as an insistance on the execution of this contract, but exercise your own judgment as to whether the contract is in the interests of the Calumet road, as we believe it to be, under the circumstances of thereby avoiding a duplication of the line from Blue Island to McCook.

This letter was read at a meeting of the Chicago & Northern Pacific Bondholders' Committee, held September 23, 1896, and a resolution was duly passed authorizing the Chairman to sign and deliver this letter to the above-addressed Managers of the Northern Pacific Reorganization.

Respectfully,

(Signed) CHICAGO & NORTHERN PACIFIC BONDHOLDERS' COMMITTEE,
By J. EDWARD SIMMONS,
Chairman.

New York, September 23, 1896.

CHICAGO & NORTHERN PACIFIC BONDHOLDERS' COMMITTEE.

Messrs. J. P. Morgan & Co.,
Managers of the Reorganization of the
Northern Pacific Railway Company:

Gentlemen—Writing in lieu of a letter written for the Committee on September 1st, and which referred to a former contract not altogether the same as that hereafter referred to, we annex hereto the final draft of the proposed contract between the Chicago & Calumet Terminal Railway Company and the Hammond & Western Railroad Company, which has recently been modified, in the interests of the Calumet Company, by

Mr. Ainslie, the President of the Calumet Company, and by Mr. Sterne, acting for the Chicago & Northern Pacific Bondholders' Committee.

This contract, as amended and hereto annexed, has received the approval of the President of the Calumet road and of Mr. Hopkins, Receiver of the Chicago & Northern Pacific Railroad Company; therefore, this Committee, under the terms of the initialed memorandum of April 16, 1896, between the Chicago & Northern Pacific Bondholders' Committee and the Managers of the Northern Pacific Reorganization, and also under the terms of an initialed memorandum of July 7, 1896, between the Chicago & Northern Pacific Bondholders' Committee and the Hammond & Western interests—which memorandum was initialed with the approval of Messrs. C. H. Coster and Edward D. Adams as in the interests of the Calumet property, and both of which initialed memorandums were made subject to the approval of the certificate holders of the Chicago & Northern Pacific bonds—acquiesces in and approves of the execution of the hereto-annexed contract.

As the Committee act in a representative capacity only, this letter is given by their Chairman and accepted by you with the express understanding that there is no personal liability on the part of the Committee or of any of the members of this committee in giving the approval herein contained.

This letter was read at a meeting of the Chicago & Northern Pacific Bondholders' Committee held September 23, 1896, and a resolution was duly passed authorizing the Chairman to sign and deliver this letter to the above-addressed Managers of the Northern Pacific Reorganization.

Respectfully,

(Signed) CHICAGO & NORTHERN PACIFIC BONDHOLDERS' COMMITTEE,
By J. EDWARD SIMMONS,
Chairman.

Minutes of the Directors of the Chicago & Calumet Terminal Railway Company, held in the City of Chicago, October 5, 1896;

A meeting of the Directors of the Chicago & Calumet Terminal Railway Company was held at the office of said Company, in Grand Central Passenger Station, in the City of Chicago

State of Illinois, on the fifth day of October, 1896, at 10 o'clock A. M., pursuant to due notice sent by the Secretary to all of the Directors of said Company. There were present: Mr. S. R. Ainslie, President; Mr. Henry S. Hawley, Secretary, and Mr. Edward Shearson.

The President presented to the meeting a draft of a contract leasing to the Chicago, Hammond & Western Railroad Company a right to a common use of the tracks of the Chicago & Calumet Terminal Railway Company between Blue Island and McCook.

Mr. Edward Shearson moved that the President and Secretary be authorized to execute said contract for and in behalf of the Chicago & Calumet Terminal Railway Company.

Said motion was duly seconded by Mr. Hawley and unanimously carried.

Thereupon the meeting adjourned.

New York, November 11, 1896.

Chicago & Northern Pacific Railroad Bondholders' Committee:

Gentlemen—We have this day deposited with your Committee, under the understanding that no penalty is to be imposed for failing to deposit heretofore, $2,066,000 bonds, numbered as follows:

12820-9	25562-624	27001-5	27716-20
13908-40	25765-850	27111-50	27738
14443	25926-39	27197-9	27807-18
14006-15	25950-65	27220-40	27834-950
19158-77	26010-11	27251-3	27985-28040
22356-452	26018-37	27271-347	28048
22706-715	26045	27398-400	28051-100
22969-76	26054-7	27403-19	28136-85
23108	26066-335	27422-7	28266-90
23200	26434	27434-500	28524-59
23328-36	26437	27504-15	28561-85
24962-74	26481-517	27533	28621-35
25240-50	26756-855	27540-50	28657-795
25340-474	26857-27000	27651-700	

with October 1, 1893, coupon on, and we expect, about December 9th, to deposit about $1,430,000 additional.

These bonds are deposited, and to be deposited, subject to the Bondholders' Agreement of December 5, 1893.

However, as we understand that a claim has been made by the Receivers of the Chicago & Northern Pacific Railroad Company, which is now pending and under consideration before the Court, for the restitution or the payment of an equivalent in damages, by the Northern Pacific Receivers or their successors in interest, for the diversion and without consideration of bonds to the amount of $2,500,000 by the Northern Pacific Company, and, the subject matter of such claim is embraced in an initialed agreement between your Committee and Mr. C. H. Coster, for the undersigned Reorganization Managers, dated April 16, 1896, subject to ratification by your constituents, it is understood that if such agreement shall fail of ratification by your constituents (the bondholders) this deposit is made without prejudice to the rights of the Reorganization Managers and the Northern Pacific Railway Company to maintain every right, title or interest to such $2,500,000 bonds (or the equivalent thereof under any reorganization) that we or they now have thereto, and that the deposit this day made, or the acceptance thereof, shall in no way affect either side to any controversy or proceeding which may thereupon arise in relation to such bonds.

It is understood, of course, that no controversy exists as to the other $996,000 bonds.

It is understood, furthermore, that the $1,430,000 bonds, as above, are likewise to be taken "without penalty."

Please acknowledge and confirm.

Yours very truly,
(Signed) J. P. MORGAN & CO.,
As Reorganization Managers, N. P. R. R.

New York, November 11, 1896.

Messrs. J. P. Morgan & Co.,
Managers of the Reorganization
of the Northern Pacific Railroad: -

Dear Sirs—Your letter of November 11th was read before the Chicago & Northern Pacific Bondholders' Committee at a meeting held today, and I have now to inform you that the Committee voted to accept the $2,066,000 bonds deposited today and the $1,430,000 bonds to be deposited about December 9th, in conformity with the understanding expressed in your letter of November 11th.

The United States Trust Company has been instructed to receive the bonds without penalty.

Respectfully,

WM. ALLEN BUTLER, Jr.,

Secretary, Bondholders' Committee, C. & N. P. R. R.

New York, December 23, 1896.

Received from the Northern Pacific Railway Company through J. P. Morgan & Co., $280,000, par value, United States Trust Company certificates for Chicago & Northern Pacific bonds, in settlement of all claims of the Chicago & Northern Pacific Railroad Company or its Receivers against the Northern Pacific Railroad Company or its Receivers or successors, and all claims of the Northern Pacific Railroad Company or its Receivers against the Chicago & Northern Pacific Railroad Company or its Receivers or successors, other than the claim made by the Chicago & Northern Pacific interests against the Northern Pacific interests for $2,500,000 of bonds of the Chicago & Northern Pacific Railroad Company, mentioned in rough memorandum of April 16, 1896, and also excepting preferential claims estimated at about $31,000 for supplies by materialmen, &c., furnished to the Chicago & Northern Pacific Railroad Company, within six months prior to August 15, 1893, which last-mentioned preferential claims of materialmen, &c., are to be settled between the Managers of the Reorganization of the Northern Pacific Railroad Company and the Committee of the Bondholders of the Chicago & Northern Pacific Railroad Company, jointly, each paying fifty per cent of any settlement hereafter to be made by the Chicago & Northern Pacific interests with reference to any such preferential claims for material.

The contents of this receipt are to be without prejudice to any claims of the Chicago & Northern Pacific interests or the Northern Pacific interests against the Wisconsin Central Company or the Wisconsin Central Railroad Company.

(Signed) J. EDWARD SIMMONS.

As Chairman of the Committee of the Bondholders of the Chicago & Northern Pacific R. R. Co.

(Copy of the above receipt sent Mr. Sterne December 28, 1896, the following endorsement at foot: "The above receipt correctly recites the basis of settlement of the matters therein referred to. Signed, Edward D. Adams, Chairman of Board of Directors.")

New York, December 28, 1896.

To C. H. Coster, Esq.:

Re C. & N. P.

Dear Mr. Coster—I am much obliged to you for the duplicate signed by Mr. Adams.

Very truly yours,
(Signed) SIMON STERNE.
New York, March 23, 1897.

Messrs. J. P. Morgan & Co.,
Reorganization Managers,
Northern Pacific Railroad Company,
New York City,

Dear Sirs—In your letter of November 11, 1896, a copy of which is for your convenience enclosed, under which you deposited with your Committee certain bonds therein named—to-wit, $2,066,000—and on the same conditions deposited early in December of last year $1,430,000 in bonds, making a total of $3,496,000, you made such deposit with the reservation that, as to $2,500,000 of such bonds, said deposit shall in no way affect either side to any controversy or proceeding which may arise in relation to such bonds.

The time has now arrived when all of said bonds are to be used, in conformity with the decree, as purchase money of the property formerly owned by and in possession of the Chicago & Northern Pacific Company, bid in on November 17, 1896. Inasmuch as the deposit was made in contemplation of the Committee's application of all of the bonds so deposited, as aforesaid, and in conformity with the Bondholders' Agreement of December 5, 1893, we wish it to be expressly understood, although your letter of November 11, 1896, implies such use of the bonds, that the application of such 2500 bonds for such purpose is without prejudice, and shall in no way affect either side to any controversy or proceeding which may arise in relation to said 2,500 bonds, should for any reason the settle-

ment of April 16, 1896, between the Reorganization Managers and our Committee fail of ratification.

Kindly confirm.

Very truly yours,

(Signed) HENRY BUDGE,

Chairman, *pro tem.*, Chicago & Northern Pacific Bondholders' Committee.

WISCONSIN CENTRAL SETTLEMENT.

This matter has not yet been fully carried out. The basis of settlement is shown by the following correspondence:

New York, April 16, 1896.

Messrs. J. P. Morgan & Co.,
Managers of the Northern Pacific Reorganization.

My Dear Sirs—Referring to my interview with your Mr. Coster, permit me to repeat in outline the terms of the proposed Northern Pacific-Wisconsin Central settlement:

1. As to matters arising prior to August 15, 1893, the date of the Northern Pacific Receivership, mutual releases of the parties and their properties shall be executed by the Northern Pacific Railroad Company and its Receivers on the one hand, and the Wisconsin Central Company, the Wisconsin Central Railroad Company and their Receivers, on the other hand.

2. All claims upon the $230,000, par value, of Wisconsin Central Company "joint and several improvement" bonds, which were deposited as security for the fulfillment of the Northern Pacific Company's covenants under the leases, and are now held by the Wisconsin Central Trustees, shall be released.

3. All questions growing out of operation subsequent to August 15, 1893, shall be reserved for future adjustment by the respective receivers or their successors.

4. It is understood that in conjunction with this proposition, the respective liabilities prior to August 15, 1893, on the part of the Wisconsin Central Companies and the Chicago & Northern Pacific Railroad Company shall be mutually released.

5. Any questions and accounts between the Chicago & Northern Pacific receivers and the Wisconsin Central Companies' receivers since August 15, 1893, shall be promptly taken up and adjusted or referred to the Courts for determination as speedily as practicable. This paragraph is to be carried into effect before any release is given to the Wisconsin Central Companies under paragraph 4.

6. The pleas interposed by the Wisconsin Central Companies and the answer interposed by their Receivers in the Northern Pacific foreclosure suit, shall be withdrawn at your request.

7. Pending this settlement, the argument upon those pleas set down for April 20th shall be adjourned, and any decree of foreclosure in the Northern Pacific suit shall contain a distinct reservation of and the sale had thereunder shall be expressly subject to, all rights and questions raised by the Wisconsin Central Companies or their Receivers, unless such questions shall have been previously adjusted or determined.

In conclusion, it will of course be understood, that all parties shall exercise good faith, and make every reasonable effort to carry this settlement into full effect as nearly as possible according to its terms, but that neither party shall be personally responsible for any failure to accomplish the results proposed.

Yours very truly,

(Signed) EDWARD W. SHELDON.

New York, April 18, 1896.

Edward W. Sheldon, Esq.,

45 Wall Street, New York.

Dear Sir—We have your favor of the 16th instant which correctly repeats in outline the terms of the proposed Northern Pacific-Wisconsin Central settlement.

The proposition is hereby accepted by us, and we understand that it is likewise accepted by the Reorganization Committee of the Wisconsin Central Companies, which kindly confirm.

Yours very truly,

(Signed) J. P. MORGAN & CO.,

Reorganization Managers.

New York, April 18, 1896.

My Dear Sirs:—I desire to acknowledge the receipt of your letter of today advising me of the acceptance of the proposition embodied in my own letter to you of the 16th inst. for the settlement of Northern Pacific-Wisconsin Central matters.

Owing to the absence of Mr. George Coppell, the Chairman of the Wisconsin Central Reorganization Committee, no meeting of the Committee has been had.

I understand that the proposition has been orally submitted to and approved by the Chairman and four other members of the Committee of eight. Although I do not regard the formal action of this Committee as necessary, I shall be glad, on Mr. Coppell's return, or earlier if you desire, and it is practicable, to secure a ratification of the action of the Receivers, Trustees and the Wisconsin Central Companies.

Yours very truly,

(Signed) EDWARD W. SHELDON.

Messrs. J. P. MORGAN & CO.,
Reorganization Managers.

DEFENDANTS' EXHIBIT Y. GRAY.

NORTHERN PACIFIC RAILWAY COMPANY.

Memorandum of Syndicate Profits as shown by Reorganization Committee Report

SYNDICATE RECEIPTS.

Sold to Syndicate—	
4% P. L. Bonds	$7,775,000
3% G. L. Bonds	1,172,880
Preferred Stock	18,767,825
Common Stock	77,500,000
From Public—	
$10 pr. share assenting old preferred stock, $33,713,130.82	3,371,313
$15 pr. share on assenting old common stock, $42,114,900.00	6,317,235
Totals	$114,904,253
Commission	3,000,000
	$117,904,253

SYNDICATE DISBURSED.

Cash	$19,873,830
Equivalent to old preferred and common surrendered—	
Preferred	16,856,565
Common	58,971,465
	$95,701,860
Total profit to Syndicate	$22,202,393

DEFENDANTS' EXHIBIT Z. GRAY.

NORTHERN PACIFIC RAILWAY COMPANY.

Statement of Principal, Interest and Dividend obligations of the Railroad Company and those entailed on the Railway Company by the re-organisation.

	Par surrendered and Int. charges on same to maturity	Par on issue and Int. and Div. charges for same period	Payment and carrying charges	
			Increase	Decrease
General 1st Mortgage Bonds:				
Retired 6/30/97 by issue 4% to $1,350	$24,958,000.00	$33,693,300.00		
Interest on 1st @ 6% 23½ years 141% interest on 4s 94%	35,190,780.00	31,671,702.00		
Retired 6/30/98 by issue 4% to $1,300	6,203,000.00	7,953,050.00		
Interest on 1st @ 6% 22½ years 135% interest on 4s 90%	8,384,050.00	7,157,745.00		
Retired 6/30/97 by issue 4%	3,814,000.00	4,230,050.00		
Interest as above 21½ years	4,920,060.00	3,637,843.00		
Retired 6/30/1900 by issue 4%	885,000.00	973,500.00		
Interest as above 20½ years	1,088,550.00	798,270.00		
Retired 6/30/1900	4,490,000.00			
Interest as above 20½ years	5,522,700.00			
Issued 6/30/1901 @ 4%		837,000.00		
Interest 19½ years		652,860.00		
Issued 6/30/1902 @ 4%		3,000,000.00		
Interest 18½ years		2,220,000.00		
Issued 6/30/1903 @ 4%		2,000,000.00		
Interest 17½ years		1,440,000.00		
	$95,456,140.00	$100,265,320.00	$4,809,180.00	

General 2nd Mortgage Bonds:	19,216,000.00			
30 years @ 6%	34,588,800.00			
Issued 4%		22,702,230.00		
27 years @ 4%		24,518,408.40		
Preferred stock issued		9,579,000.00		
Dividend to May 1, 1908, 57.62%		5,519,419.80		
Dividend 15 years @ 7%		10,057,950.00		
	$53,804,800.00	$72,377,008.20	$18,572,208.20	
General 3rd Mortgage Bonds:	11,426,000.00			
44 years @ 6%	30,164,640.00			
Issued 3%		13,407,090.00		
Interest 41 years 123%		16,490,720.70		
Preferred stock		5,657,000.00		
Dividend 57.62% to May 1, 1908		3,259,563.40		
Dividend 29 years @ 7%		11,483,710.00		
	$41,590,640.00	$50,298,084.10	$8,707,444.10	
Dividend Scrip:	500,316.90			
14 years @ 6%	420,265.44			
Issued 3%		590,374.00		
Interest 10½ years @ 3%		185,967.81		
Preferred stock		250,200.00		
Dividend 57.62%—5.25%=52.37%		131,029.74		
	$920,582.34	$1,157,571.55	$236,989.21	
Missouri Division Bonds, 4% Bonds:	1,755,000.00	1,755,000.00		
Saving in Interest, of 2% for 21½ years=43%				$754,650.00
Consolidated Mortgage Bonds:	45,520,000.00			
96½ years interest @ 5%, 482.5%	219,634,000.00			
3% G. L. bonds issued		29,994,160.00		
Interest on same 280.5%, 93½ years		84,133,618.80		
Preferred stock		28,190,000.00		
Dividend on same to May 1908, 57.62%		16,243,078.00		
Dividend on same 81 years @ 7%=567%		159,837,300.00		
	$265,154,000.00	$318,398,156.80	$53,244,156.80	

DEFENDANTS' EXHIBIT Z. GRAY.—*Cont.*

	Par surrendered and Int. charges on same to maturity	Par on issue and Int. and Div. charges for same period	Payment and carrying charges	
			Increase	Decrease
Coll. Trust Notes, 4% P. L.:	$9,494,000.00	$9,494,000.00		
Interest 4 years @ 5%, 20 and 5 1/3% for 4%	1,898,800.00	506,346.67		
Cash $379,760.00 supposed to be paid out of bonds sold, no data				
Preferred stock		1,898,800.00		
	$11,392,800.00	$11,899,146.67	$506,346.67	
N. P. and Montana, 3% G. L.:	5,381,000.00	2,690,500.00		
Due 9/1–1938 { 45 years @ 6% = 270% / 42 years @ 3% = 126% }	14,528,700.00	3,390,030.00		
Preferred stock		2,690,500.00		
Dividend to May 1, 1908, 57.62%		1,550,266.10		
Dividend 30 years @ 7% = 210%		5,650,050.00		
	$19,909,700.00	$15,971,346.10		$3,938,353.90
James River Valley, 3%:	963,000.00	481,500.00		
Due 1/1936 { 42 years @ 6% = 252% / 39 years @ 3% = 117% }	2,426,760.00	563,355.00		
Preferred stock		481,500.00		
Dividend to May, 1908, 57.62%		277,440.30		
Dividend 27 years @ 7%		910,035.00		
	$3,389,760.00	$2,713,830.30		$675,929.70
N. P. and Manitoba, 3%:	650,000.00	325,000.00		
May 1, 1939 { 45½ yrs. @ 5% = 227½% / 42½ yrs. @ 3% = 127½% } 50 yrs. 5%	1,478,750.00	414,375.00		
Preferred stock		325,000.00		
Div. May 1/08 = 57.62%		187,265.00		
Div. 31 yrs. @ 7% = 217%		705,250.00		
	$2,128,750.00	$1,956,890.00		$171,860.00

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Spokane & Palouse—3%:		1,760,000.00	527,155.00		
May 1, 1936	Cash, presumably ($527,155), was obtained from bonds sold, as data				
	42½ yrs. @ 6%=255%	4,503,300.00	1,098,672.75		
	39½ yrs. @ 3%				
Preferred stock			441,500.00		
Div. to May 1/08=57.62%			254,392.30		
Div. to May 1, 1936—28 yrs. @ 7%			865,340.00		
		$6,269,300.00	$3,587,055.05		$2,682,244.95
Helena & Red Mountain:		400,000.00			
March 1, 1937	Preferred stock		400,000.00		
6%	43½ yrs. @ 6%=261%	1,044,000.00			
	Div. 57.62% to May 1/08		230,480.00		
	Div. 29 yrs. @ 7%		812,000.00		
		$1,444,000.00	$1,443,480.00		$1,520.00
Coeur d'Alene Ry. & Nav. 1st.:		360,000.00			
	Preferred stock 6%		1,000,000.00		
Sep. 1, 1916	23 yrs. @ 6%	496,800.00			
	Div. to May 1/08=57.62%		576,200.00		
	Div. 8 years @ 7%		560,000.00		
		$856,800.00	$2,136,200.00	$1,279,400.00	
Couer d'Alene Ry. & Nav.—Genl. 1st.:		878,000.00			
	Preferred stock		878,000.00		
Oct. 1938	45 yrs. @ 6%=270%	2,370,600.00			
6%	Div. to May 1, 1908		505,903.60		
	Div. 30 yrs. @ 7%=210%		1,843,800.00		
		$3,248,600.00	$3,227,703.60		$20,896.40
Purchases by Syndicate and sales by Reorganization Committee:					
	Cash took care of Receivers' certificates and interest	5,004,533.00			
	D. & M. Dak. Div.	1,445,000.00			
	D. & M. Minn. Div.	200,000.00			
June I, 1937	44 yrs. int. @ 6%=264% on D. & M.	4,342,800.00			
	N. W. Eqpt. Cos. Notes & Int.	3,015,000.00			
	2 yrs. int. @ 7%	420,000.00			

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DEFENDANTS' EXHIBIT Z. GRAY.—*Cont.*

	Par surrendered and Int. charges on same to maturity	Par on issue and Int. and Div. charges for same period	Payment and carrying charges	
			Increase	Decrease
Syndicate: Issued 4% bonds		$7,775,000.00		
Syndicate: Issued 3% bonds		4,204,000.00		
Syndicate: Preferred stock		1,148,700.00		
Syndicate: Common stock		10,880,900.00		
Sold by Reorganization Managers: 4% bonds		58,000.00		
Sold by Reorganization Managers: Preferred stock		354,400.00		
44 yrs. int. @ 4% on 1,645,000 bonds to offset 1,645,000 D. & M. bonds 176%		2,895,250.00		
2 yrs. int. @ 4% on 3,000,000 N. W. Eqpt. notes		240,000.00		
Sundry Reorganization expenses & cash turned over to new company	$10,107,913.67			
	$24,535,249.67	$27,556,250.00	$3,021,000.33	
Preferred stock N. P. R. R.	$35,238,300.00			
Common stock N. P. R. R.	49,000,000.00			
Preferred stock N. P. Ry		17,619,100.00		
Common stock N. P. Ry		66,619,100.00		
	$84,238,300.00	$84,238,200.00		
Total Increase			$90,376,725.31	$8,245,454.95 Total Decrease
Net Increase			$82,131,270.36	

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DEFENDANTS' EXHIBIT FF. DARLING. PAGE 1.

NORTHERN PACIFIC RAILWAY COMPANY

AVERAGE COST OF ONE MILE OF MAIN TRACK IN MINNESOTA.

Rails f. o. b. St. Paul or Duluth, 116.85 tons @ $29.75	$3,477.18
Angle bars, St. Paul or Duluth, 6.8 net tons @ $33.40	227.12
Bolts, St. Paul or Duluth, 0.688 net tons @ $57.50	39.56
Spikes, St. Paul or Duluth, 3.34 net tons @ $41.80	139.61
Tie plates, St. Paul or Duluth, 0.59 net tons @ $44.32	26.15
Cost of laying track and surfacing @ $392.15	392.15
Rent of equipment, train service and handling to the front	365.93
Gross ties	1,860.00
Ballast	1,967.20
Transportation of ties, rails, etc.	718.76
	$9,213.66

Total length of main line estimated to 686.3 miles.

DEFENDANTS' EXHIBIT FF. DARLING. PAGE 2.

NORTHERN PACIFIC RAILWAY COMPANY

AVERAGE COST OF ONE MILE OF BRANCH LINES AND SIDE TRACKS IN MINNESOTA.

Rails f. o. b. Paul or Duluth, 92.31 gross tons @ $29.75	$2,746.22
Angle bars and fish plates, 5.04 net tons @ $33.40	168.34
Bolts, 0.63 net tons @ $57.00	35.91
Spikes, 3.128 net tons @ $41.80	130.75
Tie plates, 0.018 net tons @ $44.32	.80
Cost of laying and surfacing track	556.50
Rent of equipment, train service and hauling to front	365.93
Gross ties	1,665.04
Ballast	721.77
Transportation of ties, rails, etc.	644.43
	$7,035.75

Total length of branch lines and side tracks estimated to 842.8 miles.

DEFENDANTS' EXHIBIT I I. DARLING.

RATES ON TIES AND LUMBER

FROM DULUTH

To	
West Duluth	15c net ton min. $3.00 car
Friesland	5½c cwt.
New Duluth	25c net ton min. $5.00 car
Carlton	3½c cwt.
Groningen	5½c cwt.
Rush City	6c
Center City	6c
Duluth Jct.	6c
Aitkin	9½c
Gladstone	6c
Minnesota Transfer	6c
Owasso	6c
Cable	10c
Fort Ripley	9½c
West Port	12c
Frazee	13½c
Underwood	12½c
Fertile	15½c
Hill Top	15½c
Key West	15½c

DEFENDANTS' EXHIBIT. J J. DARLING.

RATES ON RAILS AND FASTENINGS

FROM DULUTH

To	Rails		Fastenings
New Duluth	25c net ton min		$5.00 car
Barnum	$1.00 gr. ton		7½ cwt.
W. Duluth	.15 net ton min		3.00 car
Carlton	1.00 gr. ton		6.4 cwt.
Groningen	1.00 "		7½ "
Aitkin	11.1 cwt.		11.1 "
	ST. PAUL		
Nor. Branch	1.00 gr. ton	.024 per ton mile	7.5 cwt.
Rush City	1.00 "	.019 " "	7.5 "
Center City	1.00 "	.250 " "	7.5 "
Duluth Jct.	1.00 "	.054 " "	6.0 "
Gladstone	1.00 "	.166 " "	4.8 "
Minn. Trf.	.90 "	.150 " "	4.0 "
Owasso	1.32 "	.120 " "	5.9 "
Cable	2.04 "	.028 " "	9.1 "
Ft. Ripley	2.91 "	.023 " "	13.0 "
Westport	3.00 "	.019 " "	13.8 "
Frahee	4.23 "	.021 " "	18.9 "
Underwood	4.05 "	.020 " "	18.1 "
Fertile	5.02 "	.0186 " "	22.4 "
Hill Top	5.29 "	.0178 " "	23.6 "
Key West	5.47 "	.0172 " "	24.4 "

(Above rates in carloads)

DEFENDANTS' EXHIBIT K K. DARLING.

NORTHERN PACIFIC RAILWAY SYSTEM IN MINNESOTA

Ballast

Contract price	27c per cu. yd.
Shovel, pit tracks, sidings and repairs	3c "
Extra bills	5c "
Transportation 1.5 tons 40 miles @ ¾c	45c "
Total	80c per cu. yd.

Ballast 11" Under Tie

3,125 cu. yds. per mile @ 80c $2,500.00

Ballast 8" Under Tie

2,375 cu. yds. per mile @ 80c $1,900.00

Ballast 6" Under Tie

2,075 cu. yds. per mile @ 80c $1,660.00

Main Track Mileage—686.3 Miles of Which

466.161 miles is estimated with 11" ballast under ties
84.308 " " " 8" " " "
15.000 " " " 6" " " "
120.831 " sand ballast classified as unballasted through error 686,300 miles.

Cost:

466.161	miles @	$2,500	$1,165,402.50
84.308	" "	1,900	160,185.20
15.000	" "	1,660	24,900.00
			$1,350,487.70

Average cost per mile of main track $\frac{1,350,487.70}{686.3} = \$1,967$

120.831 miles of sand ballast omitted through error @ $1,660 = $200,579.46

Branch Line Mileage—Yards and Sidings 842.8 Miles of Which

123.277 miles is estimated with 8" ballast under ties.
223.850 " " " 6" " " "
495.673 " " as unballasted.

842.800 miles

Cost:

123.277	miles @	$1,900	$234,226.30
223.850	" "	1,660	371,591.00
	Total		$605,817.30

Which gives an average cost per mile of $\frac{605,817.30}{842.8} = \$719.00$

DEFENDANTS' EXHIBIT LL. DARLING

NORTHERN PACIFIC RAILWAY SYSTEM IN MINNESOTA

Tracklaying and Surfacing

In the average cost of one mile of Branch Lines and Side Tracks in Minnesota,—		
Tracklaying and Surfacing is estimated at		$1,297,727.08
Tracklaying, main track, amounts to:		
686.3 miles @ $392.15 for laying and $365.93 for equipment and train service	$520,270.30	
Tracklaying and surfacing branch lines and sidings amounts to 842.8 miles @ $392.15 for laying and $365.93 for equipment and train service	638,909.82	1,159,180.12
Leaving for Surfacing		$138,546.96
or $\frac{\$138,546.96}{842.8 \text{ miles}}$ =		$164.00 per mile.

Main Track Mileage—686.30 Miles

565.469 miles with ballast, @ $750.00	$424,101.75	
120.831 " (reported as unballasted through error) @ $1,000.00	120,831.00	
686.3		$544,932.75

Branch Line Mileage, Yard Tracks and Sidings—842.80 Miles

347.127 miles with ballast, @ $750.00	$260,345.00	
495.673 " without ballast, @ $1,000.00	495,673.00	
842.800		$756,018.00
		$1,300,950.75

DEFENDANTS' EXHIBIT MM. GRAY.

Statement of Amounts of Cash Invested and Remaining Invested in the

NORTHERN PACIFIC RAILWAY.

(Exclusive of proceeds of land sales and of investment of earnings from operation).

	Par Value Issued		Credit for Amts. Realised		Debits for retirements by sinking fund payments, land sales etc.		Net Cash Invested
	Bonds	Stocks	Bonds	Stocks	Bonds	Stocks	
1st, PERIOD—1864-1876:							
Amount paid in on stock	.....	$200,750.00	.....	$200,750.00	.....	.....	.....
Repaid from proceeds bonds	.....	.....	.....	.....	.....	$200,750.00	.....
7/30—Bonds sold by Jay Cooke & Co. @ 88	$20,994,000.00	.....	$18,474,720.00	.....	.....	.....	.....
7/30—Bonds scrip by JayCooke & Co. @ 88	1,670.00	.....	1,469.60	.....	.....	.....	.....
7/30—Bonds sold by Jay Cooke & Co. @ 83	7,181,300.00	.....	5,960,479.00	.....	.....	.....	.....
7/30—Bonds sold by Company et al	3,570,400.00	.....	1,307,779.65	.....	.....	.....	.....
Land Warrant, bonds & scrip	780,486.47	issued to refund interest		.....	.....	.....	.....
Bills Payable	694,264.22	.....	694,264.22	.....	.....	.....	.....
	$33,222,120.69	$200,750.00	$26,438,712.47	$200,750.00	.....	$200,750.00	$26,438,712.47

DEFENDANTS'-EXHIBIT MM. GRAY.—*Cont.*

Statement of Amounts of Cash Invested and Remaining Invested in the

NORTHERN PACIFIC RAILWAY.

(Exclusive of proceeds of land sales and of investment of earnings from operation).

	Par Value Issued		Credit for Amts. Realised		Debits for retirements by sinking fund payments, land sales etc.		Net Cash Invested
	Bonds	Stocks	Bonds	Stocks	Bonds	Stocks	
2nd, PERIOD—July 1876 to Aug. 1896:							
Preferred stock	.....	$51,000,000.00	.....	.....	.....	.....	.....
Issued to redeem 7/30 bonds, bonuses and indebtedness (Val. Recd.)allowed	.....	.....	.....	$855,675.00	.....	.....	.....
Sale $2,400,000	.....	.....	.....	1,924,549.95	.....	.....	.....
Common Stock	.....	49,000,000.00	.....	.....	.....	.....	.....
Missouri Div. Bonds	$2,500,000.00	.....	$2,499,932.00	.....	.....	.....	.....
Pend d'Orreille Bonds	4,500,000.00	.....	4,325,599.75	.....	.....	.....	.....
General 1st Mortgage Bonds	46,943,000.00	.....	44,135,290.00	.....	.....	.....	.....
General 2nd Mortgage Bonds	20,000,000.00	.....	16,485,987.76	.....	.....	.....	.....
General 3rd Mortgage Bonds	11,461,000.00	.....	9,197,921.00	.....	.....	.....	.....
Consols	45,520,000.00	.....	39,292,321.99	.....	.....	.....	.....
Consols issued to preferred stock never used	3,347,000.00	.....	.....	.....	.....	.....	.....
Collateral Trust Notes	9,494,000.00	.....	9,007,950.00	.....	.....	.....	.....
N. W. Equipment Notes	3,000,000.00	.....	3,000,000.00	.....	.....	.....	.....
Bonds guaranteed(taken at par)	29,230,000.00	.....	29,230,000.00	.....	.....	.....	.....
40% of N. P. Terminal Bonds (taken at par)	1,440,000.00	.....	1,440,000.00	.....	.....	.....	.....

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Retired 1sts, sinking fund 5,402,000 @ 94.02					$5,078,960.40		
Retired Mo. Div. sinking fund 704,000					704,000.00		
Retired Pend d'Orreille sinking fund 4,156,000 @ 96⅛					3,994,955.00		
Retired 2nds, sinking fund 784,000 @ 82.43	11,046,000.00				646,251.20		
Retired Preferred sinking land sales 15,755,703.26 @ 57.292		15,755,703.26				$9,026,757.51	
Receivers Certificates	4,900,000.00		4,900,000.00				
	$171,289,000.00	$84,244,296.74	$163,515,002.50	$2,780,224.95	$10,424,166.60	$9,026,757.51	$146,844,303.34

DEFENDANTS' EXHIBIT MM. GRAY.—*Cont.*

Statement of Amounts of Cash Invested and Remaining Invested in the

NORTHERN PACIFIC RAILWAY

(Exclusive of proceeds of land sales and of investment of earnings from operation)

	Par Value Issued		Credit for Amts. Realized		Debits for retirements by sinking fund payments, land sales etc.		Net Cash Invested
	Bonds	Stocks	Bonds	Stocks	Bonds	Stocks	
3rd, PERIOD—Reorganisation Aug. 31, Sept. 1, 1896:							
Prior Lien Bonds used for exchange	$65,393,000.00						
General Lien Bonds used for exchange	48,416,000.00						
Preferred stock used for exchange bonds		$51,791,500.00					
Preferred stock sold to Syndicate for exchange		17,619,100.00					
Preferred stock sold to Syndicate direct		1,148,700.00					
Common stock sold to Syndicate for exchange		66,619,100.00	$19,873,830.00				
Common stock sold to Syndicate direct		10,880,900.00					
Prior Lien Bonds sold to Syndicate	7,775,000.00						
General Lien Bonds sold to Syndicate	4,204,000.00						

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General Lien Bonds sold to Syndicate	3,031,000.00		1,818,600.00				
Prior Liens sold by Reorganization Managers	58,000.00		49,300.00				
Preferred stock sold by Reorganization Managers		354,400.00		$127,022.50			
Prior Liens sold by Reorganization Mgrs. (Land Notes)	580,000.00		493,000.00				
Retired by Reorganization Managers by cash from sales to Syndicate et al. instead of exchanging					$11,082,407.91		
Retired 1st, Mortgage bonds skg. fund 809,000@ 94.02					760,621.80		
Retired Mo. Div. bonds skg. fund 20,000					20,000.00		
Retired Pend d'Orreille Div. bonds skg. fund 344,000					330,644.75		
			$22,234,730.00	$127,022.50	$12,193,674.46		$10,168,078.04

DEFENDANTS' EXHIBIT MM. GRAY.—*Cont.*

Statement of Amounts of Cash Invested and Remaining Invested in the

NORTHERN PACIFIC RAILWAY.

	Par Value Issued		Cred. for Amts. Realized		Debits for retirements by sinking fund payments, land sales etc.		Net Cash Invested
	Bonds	Stocks	Bonds	Stocks	Bonds	Stocks	
4th, PERIOD Sept. 1, 1896 to May 1907:							
Prior Lien Bonds sold	$19,381,050.00		$19,911,285.07				
Prior Lien Bonds sold	528,100.00		498,826.00				
General Lien Bonds sold	6,650,000		4,602,325				
Preferred Stock sold		$4,086,300.00		$2,748,036.75			
Retired 1st, Mortgage Sinking funds 8,824,000@ 94.02					$8,296,324.80		
Retired Mo. Div. Bonds funds 21,000							
Common stock		2,500,000.00		658,750.00	30,932.00		
Wash. & Col. Riv. Bonds assumed	2,620,000.00		2,620,000.00				
St. Paul & Duluth Div. Bonds	9,860,000.00		9,398,227.78				
St. Paul & Duluth Div. 1 st	1,000,000.00		1,000,000.00				
St. Paul & Duluth Div. 2nd	2,000,000.00		2,000,000.00				
St. Paul & Duluth Div. Consols	1,000,000.00		1,000,000.00				
Taylors Falls Branch	210,000.00		210,000.00				
Duluth Short Line	500,000.00		500,000.00				
Minneapolis & Duluth	280,000.00		280,000.00				
Equipment notes	344,936.11		344,936.11				
St. Paul & Dul. Div. Bonds	381,000.00		381,000.00				

Exchange for as below. impart and part retired Minn. & Dul.					280,000.00		
Equipment notes					325,679.10		
Retired by land sales St. Paul and Duluth					2,229,464.63		
Common stock subscriptions		60,539,634.99		60,539,634.99			
			$42,836,600.86	$63,046,421.74	$11,152,400.53		$95,630,622.07

SUMMARY.

Period	1	$26,438,712.47
"	2	146,844,303.34
"	3	10,168,078.04
"	4	95,630,622.07
		$279,081,715.92
		730,000.00
		$279,811,715.92

Par General Lien Bonds used by Reorganization Mgrs. subsequent to filed Reports.

DEFENDANTS' EXHIBIT NN. ELLIOTT.

NORTHWESTERN IMPROVEMENT COMPANY

ASSETS		LIABILITIES	
LANDS:		CAPITAL LIABILITIES:	
Minnesota	$1,328,879.76	Capital Stock	$2,775,000.00
North Dakota and Montana	718,323.44	Debenture Bonds	8,359,451.17
Washington	528,333.23	Total	$11,134,451.17
Oregon	2,560.00		
Total	$2,578,096.43	EXPLORATION AND DEVELOPMENT FUND	4,436.44
COAL PROPERTIES:		BILLS AND ACCOUNTS PAYABLE	901,303.68
Roslyn and Cleahum, Wash	$788,160.85	INCOME ACCOUNT	16,649,881.35
Ravensdale, Wash	908,116.50		
Melmont, Wash	257,084.13		
Chestnut and Timberline, Mont	672,550.28		
Red Lodge and Bear Creek, Mont	1,140,815.57		
Bull Mountain, Mont	251,405.38		
Stark and Morton Counties, N. D	2,740.44		
Coal Bunkers Seattle, Wash	62,068.10		
Briquetting Plant Tacoma, Wash	29,072.56		
Total	$4,112,022.81		
MISCELLANEOUS REAL ESTATE:			
St. Paul, Minn	$121,500.30		
Minneapolis, Minn	131,678.15		
Superior, Wis	245,468.10		
Iron Ore Lands Cuyuna Range, Minn	162,488.71		
Sunset Falls Water Power, Wash	10,079.63		
Seattle, Wash	189,828.96		
Tacoma, Wash	131,646.66		
Portland, Oregon	16,962.92		
Dilworth, Minn	18,565.37		
Manitoba Jct., Minn	886.31		
Paradise, Mont	47,932.52		

Turah, Mont.	$9,062.99
Pasco, Wash.	41,345.88
Total	$1,127,446.10
SECURITIES OWNED:	
N. P. Ry. Co., Prior Lien bonds	3,984,168.77
" " Gen. Lien bonds	4,109,037.50
" " Stock	1,061,352.91
" " " (subscription to 7,470 shares)	514,250.00
N. P.-G. N. Ry's joint 4% bonds	490,923.54
Port Townsend So. R. R. Co. stock }	350,000.00
" " " 1st mtg. bonds }	
Port Angeles & Peninsular Ry. Co's stock }	35,000.00
Port Angeles & Olympia Ry. Co's stock }	
Wash. & Col. Riv. Ry. Co. 1st mortgage bonds	272,100.00
Wash. Cent. Ry. Co. bonds	605,063.75
Minn. Trans. Ry. Co. bonds	61,000.00
N. P. Ter. Co. 1st mortgage bonds	81,450.00
" S. S. Co's stock	1.00
" Irrigation Co's stock	250,000.00
Northern Express Co's stock	10,000.00
Consolidated Land Co., Common stock	71,580.00
Mont. Coal & Iron Co's stock	13,000.00
City of Ashland, Wis., bonds	2,300.00
Tacoma Hotel, 2nd mortgage bonds	5,000.00
Advances a/c Yellowstone Park	383,569.96
Total	$12,299,797.43
LAND CONTRACTS OUTSTANDING	1,023,261.63
CASH ON HAND AND IN BANKS	6,065,879.00
ACCOUNTS AND BILLS RECEIVABLE	1,116,295.14
MATERIAL AND SUPPLIES—Coal Department	367,273.50
Total	$28,690,072.64

Total	$28,690,072.64

April 30, 1908

DEFENDANTS' EXHIBIT "OO." MORGAN.

ESTIMATE "B."

Minnesota Railroad and Warehouse Commission Railroad Appraisal of 1906-1907.

FINAL SUMMARY SHEET

Omitting Multiples on Lands for Right of Way, Yards and Terminals.

NORTHERN PACIFIC RAILWAY.

Main Line:	Single main track	967.085	miles.
	Second " "	108.720	"
	Third " "	1.400	"
Sidings:		442.349	"

JOINT OWNERSHIP TRACKS.

N. P. Ry.'s proportion with (G. N., C. St. P. M. & O., M. & N. W. and C. G. W. Rys.) Sidings, 3.802 miles.

COST OF REPRODUCTION & PRESENT VALUE OF PHYSICAL PROPERTIES

No.	Subject	Cost of Repro. New	Present Value
1	Land for right of way, yards and terminals	$9,498,099.27	$9,498,099.27
2	Grading, clearing and grubbing	7,695,858.70	7,695,858.70
3	Protection work, rip rap, retaining walls	486,530.25	486,530.25
4	Tunnels	253,250.00	215,262.50
5	Cross ties and switch ties	2,617,227.48	1,424,725.96
6	Ballast	1,266,932.79	1,266,932.79
7	Rails	4,728,531.72	3,552,777.93
8	Track fastenings	631,213.36	473,183.14
9	Switches, frogs and railroad crossings	259,590.36	176,889.96
10	Track laying and surfacing	792,636.00	792,636.00
11	Bridges, trestles and culverts	2,578,014.79	1,811,169.31
12	Track and bridge tools	27,796.49	20,847.36
13	Fences, cattle guards and signs	422,104.71	211,052.36
14	Stock yards and appurtenances	19,711.63	12,762.24
15	Water stations	218,861.17	144,283.35
16	Coal stations	110,749.00	72,287.28
17	Station buildings and fixtures	493,578.39	301,596.35
18	Miscellaneous buildings	1,234,433.54	920,265.73
19	Steam and electric power plants, gas plants	168,562.69	139,816.74
20	General repair shops	1,183,201.00	783,419.06
21	Shop machinery and tools	450,185.94	363,868.67
22	Engine houses, turntables and cinder pits	591,692.72	376,628.61
23	Track scales	33,889.00	24,732.00
24	Docks and wharves (incl. coal and ore docks)	781,518.23	635,839.24
25	Interlocking plants	60,348.00	37,658.32
26	Signal apparatus	41,650.00	29,155.00
27	Telegraph lines and appurtenances	261,004.82	195,753.66
28	Telephone lines and appurtenances	3,044.20	2,283.19
29	Adaptation and solidification of roadbed	1,613,612.76	1,613,612.76
	Total of items 1 to 29 inclusive	$38,523,829.01	$33,279,926.86
30	Engineering, superintendence, legal expenses—4½%	1,733,572.30	1,733,572.30
	Total of items 1 to 30 inclusive	$40,257,401.31	$35,013,499.16
31	Locomotives	3,230,790.51	2,498,580.52
32	Passenger equipment	1,288,293.18	883,769.12
33	Freight car equipment	7,911,927.92	6,123,832.21
34	Miscellaneous equipment	339,709.40	210,049.84
35	Marine equipment	None	None
	Total of items 1 to 35 inclusive	$53,028,122.32	$44,729,730.85
36	‡Freight on construction material	348,915.57	348,915.57
	Total of items 1 to 36 inclusive	$53,377,037.89	$45,078,646.42
37	Contingencies—5% on total of items 1 to 36	2,668,851.89	2,668,851.89
38	Stores and supplies in Minnesota	2,259,351.68	2,259,351.68
	Interest during construction—4% on the cost of reproduction, items 1 to 36 inclusive, except item 29 (2 years)	4,141,074.01	4,141,074.01
	Grand Totals	$62,446,315.47	$54,147,924.00
	Omitting adaptation and solidification of roadbed—$1,766,905.97	$60,679,409.50	$52,381,018.03

‡For cross ties, rails, track fastenings, switches and frogs.

DEFENDANTS' EXHIBIT "OO"-1. MORGAN.

ESTIMATE "B"—TABLE III.

MINNESOTA RAILROAD APPRAISAL AS OF JUNE 30, 1907.

Cost of Reproduction of the Physical Properties of the Northern Pacific Railway, Omitting Multiples on Lands for Right of Way, Yards and Terminals and Adaptation and Solidification of Roadbed.

Key No.	Name of Railroad	Cost of Repro. of Physical Properties as of June 30, 1907	Distribution of Cost of Reproduction for Mileage in Minnesota					
			Main Line Roadway		All Main Tracks		All Tracks	
			Miles in Minn.	Cost	Miles in Minn.	Cost	Miles in Minn.	Cost
24	N. P. Ry.....	$60,679,409.50	967.085	$62,744.65	1,077.205	$56,330.42	1,523.356	$39,832:72

DEFENDANTS' EXHIBIT "OO"-2. MORGAN.

ESTIMATE "B"—TABLE V.

MINNESOTA RAILROAD APPRAISAL AS OF JUNE 30, 1907.

Present Value of the Physical Properties of the Northern Pacific Railway, Omitting Multiples on Lands for Right of Way, Yards and Terminals and Adaptation and Solidification of Roadbed.

Key No.	Name of Railroad	Present Value of Physical Properties as of June 30, 1907	Distribution of Present Value for Mileage in Minnesota					
			Main Line Roadway		All Main Tracks		All Tracks	
			Miles in Minn.	Pres. val. per mi.	Miles in Minn.	Pres. val. per mi.	Miles in Minn.	Pres. val. per mi.
24	N. P. Ry.....	$52,381,018.03	967.085	$54,163.82	1,077.205	$48,626.79	1,523.356	$34,385.28

DEFENDANTS' EXHIBIT "OO"-3. MORGAN

ESTIMATE "B"—TABLE VII.

MINNESOTA RAILROAD APPRAISAL AS OF JUNE 30, 1907.

Statement of Total Acreage and Total Cost of Reproduction of Lands for Right of Way, Yards and Terminals of the Northern Pacific Railway, Omitting Multiples on Lands for Right of Way, Yards and Terminals.

Key No.	Name of Railroad	Right of Way		Station Grounds		Gravel Pits, etc.		Terminals		Totals	
		Acres	Value	Acres	Value	Acres	Value	Acres	Value	Acres	Value
24	N. P. Ry....	14,543.040	$319,928.13	3,582.440	$701,228.63	1,411.480	$12,967.37	1,792.553	$8,463,975.14	21,329.513	$9,498,099.27

DEFENDANTS' EXHIBIT "OO"-4. MORGAN.

ESTIMATE "B"—TABLE VIII.

MINNESOTA RAILROAD APPRAISAL AS OF JUNE 30, 1907.

Statement of Acreage and Cost of Reproduction of Northern Pacific Railway per Mile, Omitting Multiples on Lands for Right of Way, Yards and Terminals.

Key No.	Name of Railway	Mileage Main Line Roadway	Average per Mile Main Line Roadway											
			Right of Way		Station Grounds		Gravel Pits, etc.		R. of W., Station Gds. & Gravel Pits		Terminals—St.P., Mpls. and Duluth		Totals All Lands	
			Acres	Value	Acres	Value	Acres	Value	Acres	Value	Acres	Value	Acres	Value
24	N. P. Ry.....	967.085	15.038	$330.82	3.704	$725.10	1.460	$13.41	20.202	$1,069.33	1.854	$8,752.05	22.056	$9,821.38

DEFENDANTS' EXHIBIT "OO"-5. MORGAN.

ESTIMATE "B"—TABLE IX.

MINNESOTA RAILROAD APPRAISAL AS OF JUNE 30, 1907.

Statement of Reproduction Cost of Northern Pacific Railway, owning Terminal Lands in St. Paul, Minneapolis and Duluth, showing reproduction Cost inclusive and exclusive of Terminal Lands, Omitting Multiples on Lands for Right of Way, Yards and Terminals and Adaptation and Solidification of Roadbed.

Key No.	Name of Railroad	Mileage Main Line Roadway	Total Cost of Reproduction				Difference per Mile Columns 2 & 4
			Column No. 1 | Column No. 2		Column No. 3 | Column No. 4		
			Inclusive of Terminal Lands		Exclusive of Terminal Lands		
			Total	Per Mile of Main Line Roadway	Total	Per Mile of Main Line Roadway	
24	N. P. Ry.....	967.085	$60,679,409.50	$62,744.65	$52,215,434.36	$53,992.60	$8,752.05

Estimated cost of reproducing terminal lands of Northern Pacific Railway in St. Paul, Minneapolis and Duluth is $8,463,975.14.

DEFENDANTS' EXHIBIT "OO"-6. MORGAN.

ESTIMATE "B"—TABLE XI.

MINNESOTA RAILROAD APPRAISAL AS OF JUNE 30, 1907.

Statement showing the Cost of Reproducing Terminal Lands of the Northern Pacific Railway in the Cities of St. Paul, Minneapolis and Duluth, Omitting Multiples on Lands for Right of Way, Yards and Terminals.

Key No.	Name of Railway	Acres	Total Cost of Reproduction	
			Total	Per Acre
24	N. P. Ry.....	1,792.553	$8,463,975.14	$4,721.74

DEFENDANTS' EXHIBIT "PP." MORGAN.

ESTIMATE "A"-TABLE I.

MINNESOTA RAILROAD APPRAISAL AS OF JUNE 30, 1907

Statement of Mileage for the Northern Pacific Railway

Key No.	Name of Railroad	Mileage in Minnesota			
		Roadway	Main Tracks	Side Tracks	All Tracks
24	Northern Pacific Ry.	967.085	1,077.205	446.151	1,523.356

Minnesota

Nor. Pac. Ry.

COST OF

No.		
1	Land f	
2	Gradin	
3	Protect	
4	Tunnel	
5	Cross t	
6	Ballast	
7	Rails	
8	Track	
9	Switch	
10	Track	
11	Bridge	
12	Track	
13	Fences	
14	Stock	
15	Water	
16	Coal st	
17	Station	
18	Miscell	
19	Steam	
20	Genera	
21	Shop m	
22	Engine	
23	Track	
24	Docks	
25	Interlo	
26	Signal	
27	Telegra	
28	Teleph	
29	Adapta	
	To	
30	Engine	
	4½%	
	To	
31	Locomo	
32	Passen	
33	Freight	
34	Miscell	
35	Marine	
	To	
36	*Freigh	
	To	
37	Contin	
38	Stores	
	Interes	
	of re	
	cept	
	Gr	

*For cross

June 30th, 19

DEFENDANTS' EXHIBIT "QQ." MORGAN. (N. P.)

Form 51

nesota Railroad and Warehouse Commission Railroad Appraisal of 1906-7

FINAL SUMMARY SHEET

Name of Operating Co., Northern Pacific Ry.

MAIN LINES

Single Main Track	967,085	Miles
2nd " "	108,720	"
3rd " "	1,400	"
Sidings	442,349	"

JOINT OWNERSHIP TRACKS

c. Ry's proportion with (Gt. Nor., C. St. P. M. & Omaha, M. & N. Wis., and C. G. W. Ry's) Sidings, 3,802 Miles

T OF REPRODUCTION AND PRESENT VALUE OF PHYSICAL PROPERTIES

Subject	Cost of Reproduction, New	Present Value
and for right of way yard and terminals	$15,385,078.47	$15,385,078.47
rading, clearing and grubbing	7,695,858.70	7,695,858.70
rotection work, rip rap, retaining walls	486,530.25	486,530.25
unnels	253,250.00	215,262.50
ross ties and switch ties	2,617,227.48	1,424,725.95
allast	1,266,932.79	1,266,932.79
ails	4,728,531.72	3,552,777.93
rack fastenings	631,213.36	473,183.14
witches, frogs and railroad crossings	259,590.36	176,889.59
rack laying and surfacing	792,636.00	792,636.00
ridges, trestles and culverts	2,578,014.79	1,811,169.31
rack and bridge tools	27,796.49	20,847.39
ences, cattle guards and signs	422,104.71	211,052.36
tock yards and appurtenances	19,711.63	12,762.24
Vater stations	218,861.17	144,283.35
oal stations	110,749.00	72,287.28
tation buildings and fixtures	493,578.39	301,595.85
iscellaneous buildings	1,234,433.54	920,265.73
team and electric power plants, gas plants	168,562.69	139,816.74
eneral repair shops	1,183,201.00	783,419.05
hop machinery and tools	450,185.94	363,868.67
ngine houses, turntables and cinder pits	591,692.72	376,628.61
rack scales	33,889.00	24,732.00
ocks and wharves (incl. coal and ore docks)	781,518.23	635,839.24
nterlocking plants	60,348.00	37,658.32
gnal apparatus	41,650.00	29,155.00
elegraph lines and appurtenances	261,004.82	195,753.65
elephone lines and appurtenances	3,044.20	2,283.19
daptation and solidification of roadbed	1,613,612.76	1,613,612.76
Total of items 1 to 29 inclusive	$44,410,808.21	$39,166,906.06
ngineering, superintendence, legal expenses, 4½%	1,998,486.37	1,998,486.37
Total of items 1 to 30, inclusive	$46,409,294.58	$41,165,392.43
ocomotives	3,230,790.51	2,498,580.52
assenger equipment	1,288,293.18	883,769.12
reight car equipment	7,911,927.92	6,123,832.21
iscellaneous equipment	339,709.40	210,049.84
arine equipment	None	None
Total of items 1 to 35, inclusive	$59,180,015.59	$50,881,624.12
Freight on construction material	348,915.57	348,915.57
Total of items 1 to 36, inclusive	$59,528,931.16	$51,230,539.69
ontingencies, 5% on total of items 1 to 36	2,976,446.56	2,976,446.56
tores and supplies in Minnesota	2,259,351.68	2,259,351.68
nterest during construction, 4% on the cost of reproduction, items 1 to 36, inclusive, except item 29 (2 years)	4,633,225.47	4,633,225.47
Grand totals	$69,397,954.87	$61,099,563.40

r cross ties, rails, track-fastenings, switches and frogs.

th, 1907

By Dwight C. Morgan,
Engineer, Railroad and Warehouse Commission.

DEFENDANTS' EXHIBIT "QQ"-1. MORGAN.

ESTIMATE "A" TABLE III.

MINNESOTA RAILROAD APPRAISAL AS OF JUNE 30, 1907

Cost of Reproduction of the Physical Properties of the Northern Pacific Railway, Including Multiples on Lands for Right of Way, Yards and Terminals and Adaptation and Solidification of Roadbed.

Key No.	Name of Railroad	Cost of Repro. Physical Properties as of June 30, 1907	Distribution of Cost of Reproduction for Mileage in Minnesota					
			Main Line Roadway		All Main Tracks		All Tracks	
			Miles in Minn.	Cost per Mile	Miles in Minn.	Cost per Mile	Miles in Minn.	Cost per Mile
24	N. P. Ry.....	$69,397,954.87	967.085	$71,759.93	1,077.205	$64,424.09	1,523.356	$45,555.97

DEFENDANTS' EXHIBIT "QQ"-2. MORGAN.

ESTIMATE "A"-TABLE V.

MINNESOTA RAILROAD APPRAISAL AS OF JUNE 30, 1907

Present Value of the Physical Properties of the Northern Pacific Railway, Including Multiples on Lands for Right of Way, Yards and Terminals and Adaptation and Solidification of Roadbed.

Key No.	Name of Railroad	Present Value of Physical Properties as of June 30, 1907	Distribution of Present Value for Mileage in Minnesota					
			Main Lines Roadway		All Main Tracks		All Tracks	
			Miles in Minn.	Present Value per Mile	Miles in Minn.	Present Value per Mile	Miles in Minn.	Present Value per Mile
24	N. P. Ry.....	$61,099,563.40	967.085	$63,179.10	1,077.205	$56,720.46	1,523.356	$40,108.53

DEFENDANTS' EXHIBIT "QQ"-3. MORGAN.

ESTIMATE "A"-TABLE VII.

MINNESOTA RAILROAD APPRAISAL AS OF JUNE 30, 1907

Statement of Total Acreage and Total Cost of Reproduction of the Northern Pacific Railway of all Lands for Right of Way, Yards and Terminals Including Multiples on lands for Right of Way, Yards and Terminals.

Key No.	Name of Railroad	Right of Way		Station Grounds		Gravel Pits, etc.		Terminals		Totals	
		Acres	Rep. Cost	Acres	Rep. Cost	Acres	Rep. Cost	Acres	Rep. Cost	Acres	Rep. Cost
24	N. P. Ry.	14,543.040	$877,088.77	3,582.440	$1,922,436.27	1,411.480	$35,551.20	1,792.553	$12,550,002.23	21,329.513	$15,385,078.47

DEFENDANTS' EXHIBIT "QQ"-4. MORGAN.

ESTIMATE "A"-TABLE VIII.

MINNESOTA RAILROAD APPRAISAL AS OF JUNE 30, 1907

Statement of Acreage and Cost of Reproduction of Northern Pacific Railway per Mile, Including Multiples on Lands for Right of Way, Yards and Terminals.

Key No.	Name of Railroad	Mileage Main Line Roadw'y	Average per Mile Main Line Roadway											
			Right of way		Station Grounds		Gravel Pits etc.		R. of W., Station Grds. & Grav. Pits		Terminals-St. P., Mpls. and Duluth		Totals All Lands	
			Acres	Cost	Acres	Cost	Acres	Cost	Acres	Cost	Acres	Cost	Acres	Cost
24	N. P. Ry.....	967.085	15.038	$906.94	3.704	$1,987.87	1.460	$36.76	20.202	$2,931.57	1.854	$12,977.14	22.056	$15,908.71

DEFENDANTS' EXHIBIT "QQ"-5. MORGAN.

ESTIMATE "A"-TABLE IX.

MINNESOTA RAILROAD APPRAISAL AS OF JUNE 30, 1907

Statement of Reproduction Cost of the Northern Pacific Railway, Owning Terminal Lands in St. Paul, Minneapolis and Duluth, Showing Reproduction Cost Inclusive and Exclusive of Terminal Lands in these Cities, Including Multiples on Lands for Right of Way, Yards and Terminals and Adaptation and Solidification of Roadbed.

Key No.	Name of Railroad	Main Line Roadway Miles	Total Cost of Reproduction				Difference Per Mile Columns 2 & 4
			Col. No. 1 Inclusive of Terminal Lands	Col. No. 2	Col. No. 3 Exclusive of Terminal Lands	Col. No. 4	
			Total	Per Mile of Main Line Roadway	Total	Per Mile of Main Line Roadway	
24	N. P. Ry	967.085	$69,397,954.87	$71,759.93	$56,847,952.64	$58,782.79	$12,977.14

Estimated cost of reproducing terminal lands of Northern Pacific Railway in St. Paul, Minneapolis and Duluth is $12,550,002.23.

DEFENDANTS' EXHIBIT "QQ"-6. MORGAN.

ESTIMATE "A"-TABLE XI.

MINNESOTA RAILROAD APPRAISAL AS OF JUNE 30, 1907

Statement showing the Cost of Reproducing Terminal Lands of the Northern Pacific Railway in the Cities of St. Paul, Minneapolis, and Duluth, Including Multiples on Lands for Right of Way, Yards and Terminals.

Key No.	Name of Railroad	Acres	Total Cost of Reproduction	
			Total	Per Acre
24	N. P. Ry	1,792.553	$12,550,002.23	$7,001.18

DEFENDANTS' EXHIBIT "QQ"-7. MORGAN.

ESTIMATE "A"-TABLE XII.

MINNESOTA RAILROAD APPRAISAL AS OF JUNE 30, 1907
NORTHERN PACIFIC RAILWAY. LOCOMOTIVES

Apportioned to Minnesota on an Engine Mileage Basis for the Operating Divisions that are either Wholly or Partly within the State.
SAME FOR ESTIMATE "B"

Key No.	NAME OF RAILROAD	LOCOMOTIVES FOR MINNESOTA						
		Total Cost of Reproduction	Per Mile Main Line Roadway		Per Mile All Main Tracks		Per Mile all Tracks	
			Miles	Cost	Miles	Cost	Miles	Cost
24	N. P. Ry	$3,230,790.51	967.085	$3,340.75	1,077.205	$2,999.23	1,523.356	$2,120.84

DEFENDANTS' EXHIBIT "QQ"-8. MORGAN.

ESTIMATE "A"-TABLE XIII.

MINNESOTA RAILROAD APPRAISAL AS OF JUNE 30, 1907
NORTHERN PACIFIC RAILWAY. PASSENGER TRAIN EQUIPMENT

Apportioned to Minnesota on Car Mileage Basis
SAME FOR ESTIMATE "B"

Key No.	NAME OF RAILROAD	PASSENGER TRAIN EQUIPMENT FOR MINNESOTA						
		Total Cost of Reproduction	Per Mile Main Line Roadway		Per Mile all Main Tracks		Per Mile all Tracks	
			Miles	Cost	Miles	Cost	Miles	Cost
24	N. P. Ry	$1,288,293.18	967.085	$1,332.14	1,077.205	$1,195.96	1,523.356	$845.69

DEFENDANTS' EXHIBIT "QQ"-9. MORGAN.

ESTIMATE "A"-TABLE XIV.

MINNESOTA RAILROAD APPRAISAL AS OF JUNE 30, 1907
NORTHERN PACIFIC RAILWAY. FREIGHT TRAIN EQUIPMENT

Apportioned to Minnesota on a Car Mileage Basis
SAME FOR ESTIMATE "B"

Key No.	Name of Railroad	Freight Train Equipment for Minnesota							
		Total Cost of Reproduction	Per Mile Main Line Roadway		Per Mile all Main Tracks		Per Mile all Tracks	
			Miles	Cost	Miles	Cost	Miles	Cost
24	N. P. Ry	$7,911,927.92	967.085	$8,181.21	1,077.205	$7,344.87	1,523.356	$5,193.75

DEFENDANTS' EXHIBIT "QQ"-10. MORGAN.

ESTIMATE "A"-TABLE XV.

MINNESOTA RAILROAD APPRAISAL AS OF JUNE 30, 1907
NORTHERN PACIFIC RAILWAY. MISCELLANEOUS EQUIPMENT

Apportioned to Minnesota on Car Mileage Basis
SAME FOR ESTIMATE "B"

Key No.	Name of Railroad	Miscellaneous Equipment for Minnesota							
		Total Cost of Reproduction	Per Mile Main Line Roadway		Per Mile all Main Tracks		Per Mile all Tracks	
			Miles	Cost	Miles	Cost	Miles	Cost
24	N. P. Ry	$339,709.40	967.085	$351.27	1,077.205	$315.36	1,523.356	$223.00

DEFENDANTS' EXHIBIT "QQ"-11. MORGAN.

ESTIMATE "A"-TABLE XVI.

MINNESOTA RAILROAD APPRAISAL AS OF JUNE 30, 1907

Statement showing Cost of Reproducing Passenger Equipment, Freight Equipment, Miscellaneous Equipment, as Listed by Northern Pacific Railway and applied to Minnesota on the Basis of Relative Car Mileage.

SAME FOR ESTIMATE "B"

Key No.	Name of Interstate Railroad	Passenger Equipment			Freight Equipment			Miscellaneous Equip'm't		
		Cost of Reproduction		Per Cent	Cost of Reproduction		Per Cent	Cost of Reproduction		Per Cent
		Total	Minn. Prop'n		Total	Minn. Prop'n		Total	Minn. Prop.	
24	N. P. Ry	$6,617,457.17	$1,288,293.18	19.47	$34,912,200.09	$7,011,927.92	22.66	No Report	$339,709.40	0

DEFENDANTS' EXHIBIT "QQ"-12. MORGAN.

ESTIMATE "A"-TABLE XVII.

MINNESOTA RAILROAD APPRAISAL AS OF JUNE 30, 1907
NORTHERN PACIFIC RAILWAY. SUMMARY OF EQUIPMENT

Total Cost of Reproduction for Minnesota and Cost Per Mile.

SAME FOR ESTIMATE "B"

Key No.	Name of Railroad	All Equipment for Minnesota							
		Total Cost of Reproduction	Per Mile Main Line Roadway		Per Mile All Main Tracks		Per Mile All Tracks		
			Miles	Cost	Miles	Cost	Miles	Cost	
24	N. P. Ry	$12,770,721.01	967.085	$13,205.38	1,077.205	$11,855.42	1,823.356	$6,383.29	

DEFENDANTS' EXHIBIT "QQ"-13. MORGAN

ESTIMATE "A"-TABLE XVIII.

MINNESOTA RAILROAD APPRAISAL AS OF JUNE 30, 1907
NORTHERN PACIFIC RAILWAY

Grading, Clearing and Grubbing.
SAME FOR ESTIMATE "B"

Key No.	NAME OF RAILROAD	Earth		Loose Rock		Solid Rock		Clearing and Grubb'g		Total
		Cu. Yds.	Cost	Cu. Yds	Cost	Cu. Yds.	Cost	Acres	Cost	
24	N. P. Ry	25,771,559	$7,029,330.65	41,186	$20,593.00	182,032	$218,060.05	5,705.00	$427,875.00	$7,695,858.70
Average			Per Cu. Yd. 27.27c		Per Cu. Yd. 50.00c		Per Cu. Yd. $1.1979		Per Acre $75.00	

NOTE: Grading measured in excavation only.

DEFENDANTS' EXHIBIT "QQ"-14. MORGAN.

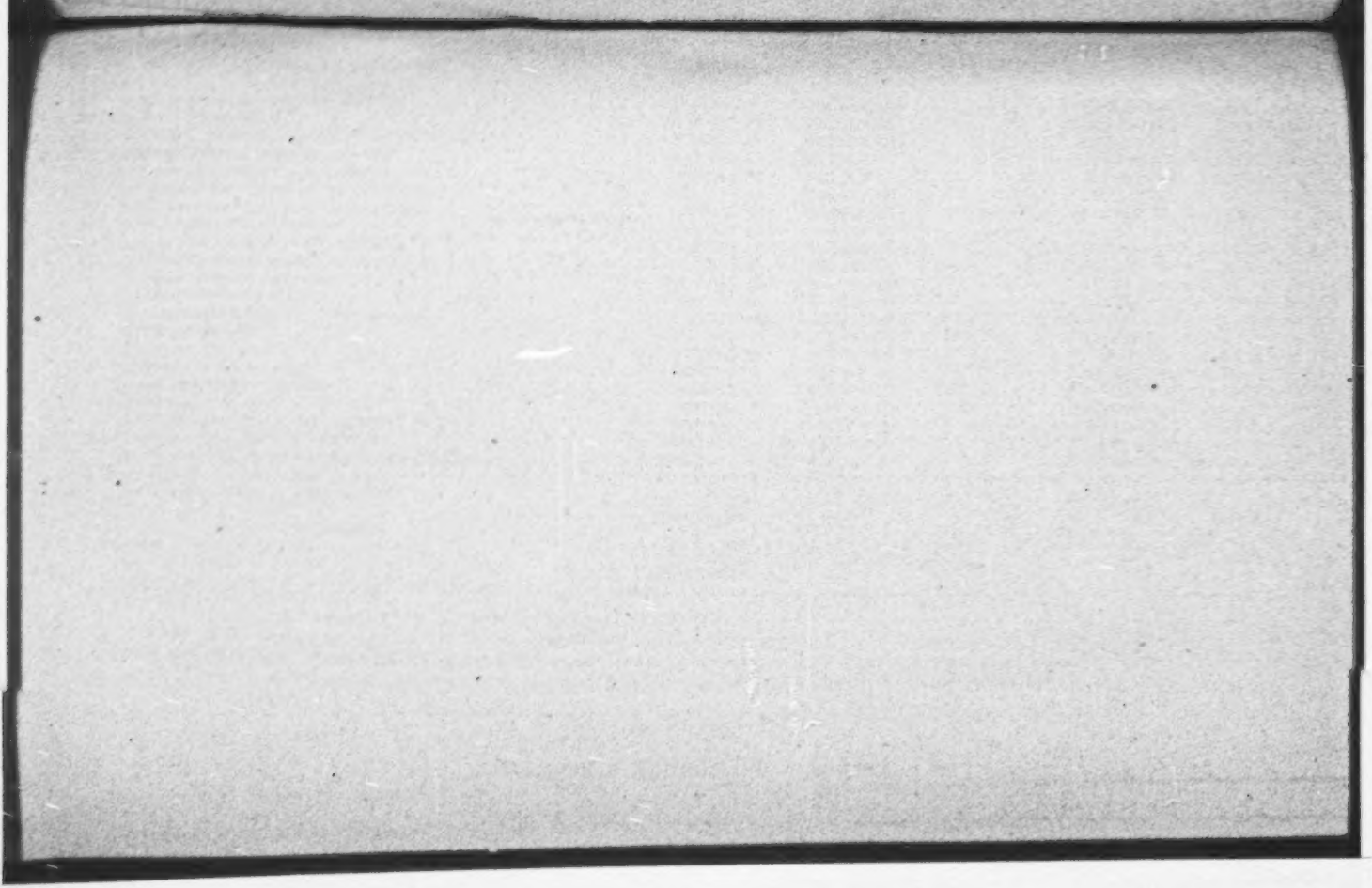
ESTIMATE "A"-TABLE XIX.

MINNESOTA RAILROAD APPRAISAL AS OF JUNE 30, 1907

Statement showing the Estimated Cost of Reproducing the Lands used for Right of Way, Yards and Terminals and the Average Ratio to True Value for Northern Pacific Railway.

Key No.	RAILROAD	Lands for Right of Way, Yards and Terminals		Column 3 Average Ratio True Value to Value for Ry. Purposes
		Column 1 Total Value of Lands For Ry. Purposes	Column 2 Total True Value of Lands from Tfrs.	
24	N. P. Ry	$15,385,078.47	$9,498,099.27	1.619

NOTE: Column 1 corresponds to Estimate "A"
Column 2 " " " "B"



DEFENDANTS' EXHIBIT "RR." MORGAN.

STATEMENT SHOWING

1st Original report of Northern Pacific Railway Company to Commission of June 30th, 1906.
2nd Complainant's "Exhibit 3, Darling," under dates of Dec. 31st, 1906 and April 30th, 1908.
3rd Cost of Reproducing new "Defendant's Exhibit 'OO' Morgan."
4th Present Value "Defendant's Exhibit 'OO' Morgan."

No.	SUBJECT	Original report of Northern Pacific Railway Company to Commission of June 30, 1906	Complainant's "Exhibit 3, Darling"		Cost of Reproducing new Defendant's "Ex. 'OO' Morgan" June 30, 1907	Present Value Defendant's Ex. "OO" Morgan June 30, 1907
			Dec. 31, 1906	April 30, 1908		
1.	Land for right of way, yards and terminals	$23,527,035.27	$23,548,393.41		$9,498,099.27	$9,498,099.27
2.	Grading, clearing and grubbing	8,892,664.06	10,159,811.00		7,695,858.70	7,695,858.70
3.	Protection work, rip rap, retaining walls	374,091.53	374,091.53		486,530.25	486,530.25
4.	Tunnels	358,363.00	358,363.00		253,250.00	215,262.50
5.	Cross ties and switch ties	3,522,385.55	3,522,385.55		2,617,227.48	1,424,725.95
6.	Ballast	1,958,395.00	1,958,395.00		1,266,932.79	1,266,932.79
7.	Rails	5,116,673.73	5,116,673.73		4,728,531.72	3,552,777.93
8.	Track fastenings	627,842.42	627,842.42		631,213.36	473,183.14
9.	Switches, frogs and railroad crossings	265,611.80	265,611.80		259,590.36	176,889.59
10.	Track laying and surfacing	1,207,727.08	1,297,727.08		792,636.00	792,636.00
11.	Bridges, trestles and culverts	3,474,087.00	3,474,087.00		2,578,014.79	1,811,169.31
12.	Track and bridge tools	27,796.50	27,796.50		27,796.49	20,847.39
13.	Fences, cattle guards and signs	450,392.63	450,392.63		422,104.71	211,052.36
14.	Stock yards and appurtenances	36,952.65	36,952.65		19,711.63	12,762.24
15.	Water stations	289,490.02	289,490.02		218,861.17	144,283.35
16.	Coal stations	108,314.00	108,314.00		110,749.00	72,287.28
17.	Station buildings and fixtures	839,412.60	839,412.60		493,578.39	301,595.85
18.	Miscellaneous buildings	971,168.75	971,168.75		1,234,433.54	920,265.73
19.	Steam and electric power plants, gas plants	196,338.64	196,338.64		168,562.69	139,816.74
20.	General repair shops	1,142,512.12	1,142,512.00		1,183,201.00	783,419.05
21.	Shop machinery and tools	436,542.72	436,542.72		450,185.94	363,[illegible]8.67

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22.	Engine houses, turntables and cinder pits	603,412.12	603,412.12	.....	591,692.72	376,628.61
23.	Track scales	38,520.00	38,520.00	.....	33,889.00	24,732.00
24.	Docks and wharves (include coal and ore docks)	778,634.00	778,634.00	.....	781,518.23	635,839.24
25.	Interlocking plants	64,500.00	64,500.00	.....	60,348.00	37,658.32
26.	Signal apparatus	43,450.00	43,450.00	.....	41,650.00	29,155.00
27.	Telegraph lines and appurtenances	261,004.82	261,004.82	.....	261,004.82	195,753.65
28.	Telephone lines and appurtenances	3,044.20	3,044.20	.....	3,044.20	2,283.19
29.	Adaptation and solidification of roadbed	None	None	.....	1,613,612.76	1,613,612.76
	General office furniture and supplies	67,888.26	67,888.26	(Have included in subject No. 18, Misc. Bldgs.)		
	Total of items 1 to 29, inclusive	$55,774,250.47	$57,062,755.43	$64,049,524.14	$38,523,829.01	$33,279,926.86
30.	Engineering, superintendence, legal expenses	2,506,786.29	2,034,636.64	2,034,636.64	1,733,572.30	1,733,572.30
				150,054.94		
	Total of items 1 to 30, inclusive	$58,281,036.76	$59,097,392.07	$66,234,215.72	$40,257,401.31	$35,013,499.16
31.	Locomotives	3,263,374.64	3,263,374.64	3,389,392.64	3,230,790.51	2,498,580.52
32.	Passenger equipment	1,135,335.55	1,135,335.55	1,202,517.53	1,288,293.18	883,769.12
33.	Freight car equipment	6,173,348.78	6,173,348.78	6,456,173.27	7,911,927.92	6,123,832.21
34.	Miscellaneous equipment	186,407.00	186,407.00	226,361.00	339,709.40	210,049.84
35.	Marine equipment	None	None	None	None	None
	Total of items 1 to 35, inclusive	$69,039,502.73	$69,855,858.04	$77,508,660.16	$53,028,122.32	$44,729,730.85
36.	Freight on construction material and equipment	None	None	None	348,915.57	348,915.57
37.	Contingencies	7,931,735.65	6,985,585.80	6,985,585.80	2,668,851.89	2,668,851.89
38.	Stores and supplies in Minnesota	2,259,351.68	2,259,351.68	2,658,976.01	2,259,351.68	2,259,351.68
	Interest during construction	7,580,877.58	7,684,144.38	7,684,144.38	4,141,074.01	4,141,074.01
	St. Paul Union Depot, 1/9 interest	.....	610,572.00	610,572.00	.....	.....
	Duluth Union Depot, incl. right of way	.....	1,018,170.25	1,018,170.25	.....	.....
	Minnesota Transfer Ry. Co., 1/10 interest	.....	575,600.00	575,600.00	.....	.....
	Big Fork & International Falls Railway	.....	.....	656,034.91	.....	.....
	Minnesota & International Railway	.....	3,460,839.62	3,460,839.62	.....	.....
	Totals	$86,817,467.64	$92,450,121.77	$101,158,583.13	$62,446,315.47	$54,147,924.00
	Omitting adap. and solid'n. of roadbed	.....	.....	.....	1,766,905.97	1,766,905.97
	Totals	$86,817,467.64	$92,450,121.77	$101,158,583.13	$60,679,409.50	$52,381,018.03

* Note: This item includes multiples. The market value given by Ry. Co. is $17, 204,037.64.

DEFENDANTS' EXHIBIT "TT." MORGAN.

ST. PAUL UNION DEPOT.

No.	SUBJECT	RAILWAY COMPANY'S Cost of Reprod'n and Pres. Val. as of June 30th, 1906				STATE'S Cost of Reproduction and Present Value as of June 30th, 1907			
		Omitting multiples on l'nds for R-W, yds & terminals		Includ'g multiples on l'nds for R-W, yds & terminals		Estimate "B" Omitting multiples on lands for R-W, yards and terminals		Estimate "A" Including multiples on lands for R-W, yards and terminals	
		Cost of Reproduction New	Present Value	Cost of Reproduction New	Present Value	Cost of Reproduction New	Present Value	Cost of Reproduction New	Present Value
		Column No. 1	Col. No. 2	Column No. 3	Col. No. 4	Column No. 5	Column No. 6	Column No. 7	Column No. 8
1	Land for right of way, yds. & term'ls	$3,573,084.40		$4,287,515.89		$1,754,036.57	$1,754,036.57	$3,069,563.95	$3,069,563.95
2	Grading, clearing and grubbing	124,037.73		124,037.73		124,038.00	124,038.00	124,038.00	124,038.00
3	Protection work, rip rap, retain'g w'lls	33,547.98		33,547.98		22,237.69	22,237.69	22,237.69	22,337.69
4	Tunnels	None		None		None	None	None	None
5	Cross ties and switch ties	28,947.46		28,947.46		21,244.04	11,471.78	21,244.04	11,471.78
6	Ballast	14,541.60		14,541.60		9,504.60	9,504.60	9,504 60	9,504.60
7	Rails	35,904.00		35,904.00		30,019.50	25,636.65	30,019.50	25,636.65
8	Track fastenings	6,773.45		6,773.45		6,174.09	5,272.67	6,174.09	5,272.67
9	Switches, frogs & railroad crossings	18,038.07		18,038.07		18,039.09	14,811.85	18,039.09	14,811.85
10	Track-laying and surfacing	6,570.00		6,570.00		7,008.00	7,008.00	7,008.00	7,008.00
11	Bridges, trestles and culverts	11,141.50		11,141.50		11,075.01	10,155.11	11,075.01	10,155.11
12	Track and bridge tools	180.16		180.16		180.16	135.12	180.16	135.12
13	Fences, cattle guards and signs	132.79		132.79		132.79	66.40	132.79	66.40
14	Stock yards and appurtenances	None		None		None	None	None	None
15	Water stations	3,810.00		3,810.00		3,596.80	2,119.72	3,596.80	2,119.72
16	Coal stations	300.00		300.00		300.00	228.00	300.00	228.00
17	Station buildings and fixtures (incl. trains sheds and platforms)	463,000.00		463,000.00		463,000.00	324,100.00	463,000.00	324,100.00
18	Miscellaneous buildings	955.00		955.00		955.00	742.99	955.00	742.99
19	Steam & electric power plants, gas plants	None		None		None	None	None	None
20	General repair shops	1,500. 00		1,500.00		1,500.00	1,350.00	1,500.00	1,350.00
21	Shop machinery and tools	547.75		547.75		547.75	438.20	547.75	438.20
22	Engine houses, turntables & cinderpits	12,434.00		12,434.00		8,000.00	6,800.00	8,000.00	6,800.00
23	Track scales	None		None		None	None	None	None
24	Docks & wharves (incl. coal & ore deks	None		None		None	None	None	None

Present value not reported by Ry. Co.

Present value not reported by Ry. Co.

25	Interlocking plants	None	None	None	None	None	None	None
26	Signal apparatus	100.00	100.00	100.00	70.00	100.00	70.00	
27	Telegraph lines and appurtenances	None	None	None	None	None	None	
28	Telephone lines and appurtenances	143.00	143.00	143.00	107.25	143.00	107.25	
29	Adaptation & solidification of roadbed	None	None	7,677.26	7,677.26	7,677.26	7,677.26	
	Total of items 1 to 29 inclusive	$4,335,688.89	$5,050,120.38	$2,489,509.35	$2,328,007.86	$3,805,036.73	$3,643,535.24	
30	Engineering, supt'nce, legal expenses	30,504.18	30,504.18	112,027.92	112,027.92	171,226.65	171,226.65	
	Total of items 1 to 30 inclusive	$4,366,193.07	$5,080,624.56	$2,601,537.27	$2,440,035.78	$3,976,263.38	$3,814,761.89	
31	Locomotives	17,600.00	17,600.00	12,196.80	4,342.06	12,196.80	4,342.06	
32	Passenger equipment	None	None	None	None	None	None	
33	Freight car equipment	None	None	None	None	None	None	
34	Miscellaneous equipment	2,137.00	2,137.00	2,137.00	1,602.75	2,137.00	1,602.75	
35	Marine equipment	None	None	None	None	None	None	
	Total of items 1 to 35 inclusive	$4,385,930.07	$5,100,361.56	$2,615,871.07	$2,445,980.59	$3,990,597.18	$3,820,706.70	
36	Freight on construction material	None	None	55.80	55.80	55.80	55.80	
	Total of items 1 to 36 inclusive	$4,385,930.07	$5,100,361.56	$2,615,926.87	$2,446,036.39	$3,990,652.98	$3,820,762.50	
37	Contingencies	79,310.88	79,310.88	130,796.34	130,796.34	199,532.65	199,532.65	
38	Stores and supplies in Minnesota	4,697.00	4,697.00	4,697.00	4,697.00	4,697.00	4,697.00	
	Interest during construction	263,155.80	310,780.35	104,329.98	104,329.98	159,319.03	159,319.03	
	Grand Totals	$4,733,093.75	$5,495,140.79	$2,855,750.19	$2,685,859.71	$4,354,201.66	$4,184,311.18	
	Omitting adaptation and solidification of roadbed, $8,406.60			$2,847,343.59	$2,677,453.11			

DEFENDANTS' EXHIBIT "UU." MORGAN.

DULUTH UNION DEPOT & TRANSFER.

No.	SUBJECT	RAILWAY COMPANY'S Cost of Reprod'n and Pres. Val. as of June 30th, 1906				STATE'S Cost of Reproduction and Present Value as of June 30th, 1907			
		Omitting multiples on l'nds for R. W, yds & terminals		Includ'g multiples on l'nds for R. W, yds & terminals		Estimate "B" Omitting multiples on lands for R. W, yards and terminals		Estimate "A" Including multiples on lands for R. W, yards and terminals	
		Cost of Reproduction New	Present Value	Cost of Reproduction New	Present Value	Cost of Reproduction New	Present Value	Cost of Reproduction New	Present Value
		Column No. 1	Col. No. 2	Column No. 3	Col. No.4	Column No. 5	Column No. 6	Column No. 7	Column No. 8
1	Land for right of way, yds & term'nls	$336,500.00		$420,625.00		$303,537.74	$303,537.74	$379,422.21	$379,422.21
2	Grading, clearing and grubbing	None report'd		None report'd		11,712.75	11,712.75	11,712.75	11,712.75
3	Protect'n work, rip rap, retain'g walls	None		None		None	None	None	None
4	Tunnels	None		None		None	None	None	None
5	Cross ties and switch ties	6,262.35		6,262.35		5,363.86	2,875.03	5,363.86	2,875.03
6	Ballast	7,077.50		7,077.50		2,944.24	2,944.24	2,944.24	2,944.24
7	Rails	8,868.48		8,868.48		8,742.13	5,229.54	8,742.13	5,229.54
8	Track fastenings	1,157.31		1,157.31		1,034.57	618.88	1,034.57	618.88
9	Switches, frogs & railroad crossings	5,040.50		5,040.50		4,985.41	2,982.77	4,985.41	2,982.77
10	Track laying and surfacing	1,981.70		1,981.70		1,698.60	1,698.60	1,698.60	1,698.60
11	Bridges, trestles and culverts	29,610.58		29,610.58		29,610.58	20,814.64	29,610.58	20,814.64
12	Track and bridge tools	None		None		None	None	None	None
13	Fences, cattle guards and signs	None		None		None	None	None	None
14	Stock yards and appurtenances	None		None		None	None	None	None
15	Water stations	None		None		None	None	None	None
16	Coal stations	None		None		None	None	None	None
17	Station buildings and fixtures	336,097.55		336,097.55		336,097.55	266,823.16	336,097.55	266,823.16
18	Miscellaneous buildings	7,220.00		7,220.00		7,220.00	5,611.13	7,220.00	5,611.13
19	Steam & elec. power plants, gas pl'nts	1,300.00		1,300.00		1,300.00	1,040.00	1,300.00	1,040.00
20	General repair shops	None		None		None	None	None	None
21	Shop machinery and tools	None		None		None	None	None	None
22	Engine houses, turntables & cinderpits	None		None		None	None	None	None
23	Track scales	None		None		None	None	None	None
24	Docks & wharves (inc. coal & ore d'ks)	None		None		None	None	None	None
25	Interlocking plants	None		None		None	None	None	None
26	Signal apparatus	None		None		None	None	None	None

Present value not reported by Ry. Co.

Present value not reported by Ry. Co.

27	Telegraph lines and appurtenances...	None	None	None	None	None	None	None
28	Telephone lines and appurtenances...	None	None	None	None	None	None	None
29	Adaptat'n & solidificat'n of roadbed	None	None	2,481.09	2,481.09	2,481.09	2,481.09	
	Total of items 1 to 29 inclusive....	$741,115.97	$825,240.97	$716,728.52	$628,369.57	$792,612.99	$704,254.04	
30	Engineering, supt'nce, legal expenses	33,350.22	37,135.84	32,252.78	32,252.78	35,667.58	35,667.58	
	Total of items 1 to 30 inclusive....	$774,466.19	$862,376.81	$748,981.30	$660,622.35	$828,280.57	$739,921.62	
31	Locomotives.....	2,500.00	2,500.00	5,483.40	685.42	5,483.40	685.42	
32	Passenger equipment.....	None	None	None	None	None	None	
33	Freight car equipment.....	None	None	None	None	None	None	
34	Miscellaneous equipent	None	None	None	None	None	None	
35	Marine equipment.....	None	None	None	None	None	None	
	Total of items 1 to 35 inclusive....	$776,966.19	$864,876.81	$754,464.70	$861,307.77	$833,763.97	$740,607.04	
36	Freight on construction material....	None	None	49.64	49.64	49.64	49.64	
	Total of items 1 to 36 inclusive....	$776,966.19	$864,876.81	$754,514.34	$661,357.41	$833,813.61	$740,656.68	
37	Contingencies.....	89,351.11	99,460.83	37,725.72	37,725.72	41,690.68	41,690.68	
38	Stores and supplies in Minnesota.....	1,940.00	1,940.00	1,940.00	1,940.00	1,940.00	1,940.00	
	Interest during construction.....	46,617.97	51,892.61	30,081.33	30,081.33	33,253.30	33,253.30	
	Grand Totals.....	$914,875.27	$1,018,170.25	$824,261.39	$731,104.46	$910,697.59	$817,540.66	
	Omitting adaptation and solidification of roadbed, $2,716.79.....			$821,544.60	$728,387.67			

DEFENDANTS' EXHIBIT "VV." MORGAN.

MINNESOTA TRANSFER RAILWAY.

No.	SUBJECT	RAILWAY COMPANY'S Cost of Reprod'n and Pres. Val. as of June 30th, 1906				STATE'S Cost of Reproduction and Present Value as of June 30th, 1907			
		Omitting multiples on l'nds for R.W, yds & terminals		Includ'g multiples on l'nds for R.W, yds & terminals		Estimate "B" Omitting multiples on lands for R.W, yards and terminals		Estimate "A" Including multiples on lands for R.W, yards and terminals	
		Cost of Reproduction New	Present Value	Cost of Reproduction New	Present Value	Cost of Reproduction New	Present Value	Cost of Reproduction New	Present Value
		Column No. 1	Column No. 2	Column No. 3	Column No. 4	Column No. 5	Column No. 6	Column No. 7	Column No. 8
1	Land for right of way, yds & term'nls	The Railway Co., does not report the true or market value of its lands for R. o. W., Yards and Terminals.	The Railway Co., does not report the true or market value of its lands for R. o. W., Yards and Terminals.	$3,460,770.96	$3,460,770.96	$494,315.20	$494,315.20	$919,791.06	$919,791.06
2	Grading, clearing and grubbing			519,931.28	519,931.28	438,349.75	438,349.75	438,349.75	438,349.75
3	Protect'n work, rip rap, retain'g walls			None	None	None	None	None	None
4	Tunnels			None	None	None	None	None	None
5	Cross ties and switch ties			154,922.52	140,318.45	120,276.94	64,920.37	120,276.94	64,920.37
6	Ballast			20,940.00	20,940.00	21,764.50	21,764.50	21,764.50	21,764.50
7	Rails			215,544.04	196,561.78	195,990.91	147,439.77	195,990.91	147,439.77
8	Track fastenings			45,857.02	42,431.94	33,861.15	25,497.44	33,861.15	25,497.44
9	Switches, frogs & railroad crossings			28,622.83	26,889.44	31,598.34	22,276.03	31,598.34	22,276.03
10	Track laying and surfacing			73,415.00	73,415.00	52,060.00	52,060.00	52,060.00	52,060.00
11	Bridges, trestles and culverts			168,606.49	168,040.85	139,873.51	99,414.68	139,873.51	99,414.68
12	Track and bridge tools			1,514.75	1,514.75	1,514.75	1,136.06	1,514.75	1,136.06
13	Fences, cattle guards and signs			7,346.20	6,598.08	4,429.20	2,214.60	4,429.20	2,214.60
14	Stock yards and appurtenances			218,372.97	196,535.67	113,812.41	75,273.18	113,812.41	75,273.18
15	Water stations			16,600.98	15,646.28	13,598.94	10,138.55	13,598.94	10,138.55
16	Coal stations			4,229.98	3,772.10	4,229.98	3,346.78	4,229.98	3,346.78
17	Station buildings and fixtures			49,400.49	45,460.44	943.80	674.66	943.80	674.66
18	Miscellaneous buildings			56,609.49	50,359.24	137,810.77	119,731.58	137,810.77	119,731.58
19	Steam & elec. power plants, gas plants			None	None	None	None	None	None
20	General repair shops			2,635.80	2,372.22	10,938.03	10,548.23	10,938.03	10,548.23
21	Shop machinery and tools			10,156.25	10,156.25	10,156.25	8,125.00	10,156.25	8,125.00
22	Eng. houses & turntables, cinder pits			29,723.15	26,918.15	34,195.96	26,455.89	34,195.96	26,455.89
23	Track scales			10,467.50	9,241.85	9,629.00	6,648.80	9,629.00	6,648.80
24	Docks & wharves (inc. coal & ore d'ks)			None	None	None	None	None	None
25	Interlocking plants			7,500.00	6,750.00	9,752.00	4,680.96	9,752.00	4,680.96

26	Signal apparatus			3,275.00	2,975.00	25.00	17.50	25.00	17.50
27	Telegraph lines and appurtenances			None	None	None	None	None	None
28	Telephone lines and appurtenances			None	None	None	None	None	None
29	Adaptat'n & solidificat'n of roadbed			None	None	54,687.36	54,687.36	54,687.36	54,687.36
	Total of items 1 to 29 inclusive			$5,106,442.70	$5,027,599.73	$1,933,813.75	$1,689,716.89	$2,359,289.61	$2,115,192.75
30	Engineering, supt'nce, legal expenses			510,644.27	502,759.97	87,021.62	87,021.62	106,168.03	106,168.03
	Total of items 1 to 30 inclusive			$5,617,086.97	$5,530,359.70	$2,020,835.37	$1,776,738.51	$2,465,457.64	$2,221,360.78
31	Locomotives			158,600.00	153,300.00	156,786.00	120,177.35	156,786.00	120,177.35
32	Passenger equipment			None	None	None	None	None	None
33	Freight car equipment			None	None	600.00	168.00	600.00	168.00
34	Miscellaneous equipment			2,300.00	2,220.00	1,500.00	900.00	1,500.00	900.00
35	Marine equipment			None	None	None	None	None	None
	Total of items 1 to 35 inclusive			$5,777,986.97	$5,685,879.70	$2,179,721.37	$1,897,983.86	$2,624,343.64	$2,342,606.13
36	Freight on construction material			None	None	13,703.07	13,703.07	13,703.07	13,703.07
	Total of items 1 to 36 inclusive			$5,777,986.97	$5,685,879.70	$2,193,424.44	$1,911,686.93	$2,638,046.71	$2,356,309.20
37	Contingencies			None	None	109,671.22	109,671.22	131,902.34	131,902.34
38	Stores and supplies in Minnesota			None	None	None	None	None	None
	Interest during construction			None	None	89,549.48	89,549.48	103,334.37	103,334.37
	Grand Totals			$5,777,986.97	$5,685,879.70	$2,392,645.14	$2,110,907.63	$2,873,283.42	$2,591,545.91
	Omitting adaptation and solidification of roadbed, $59,882.65					$2,332,762.49	$2,051,024.98		

DEFENDANTS' EXHIBIT "WW." MORGAN.

MINNESOTA AND INTERNATIONAL RAILWAY.

No.	SUBJECT	RAILWAY COMPANY'S Cost of Reprod'n and Pres. Val. as of June 30th, 1906				STATE'S Cost of Reproduction and Present Value as of June 30th, 1907			
		Omitting multiples on l'nds for R. W, yds & terminals		Includ'g multiples on l'nds for R. W, yds & terminals		Estimate "B" Omitting multiples on lands for R. W, yards and terminals		Estimate "A" Including multiples on lands for R. W, yards and terminals	
		Cost of Reproduction New	Present Value	Cost of Reproduction New	Present Value	Cost of Reproduction New	Present Value	Cost of Reproduction New	Present Value
		Column No. 1	Col. No. 2	Column No. 3	Col. No. 4	Column No. 5	Column No. 6	Column No. 7	Column No. 8
1	Land for right of way, yds & term'nls	$125,074.50		$336,392.00		$39,586.15	$39,586.15	$117,960.45	$117,960.45
2	Grading, clearing and grubbing	1,075,324.04		1,075,324.04		983,255.67	983,255.67	983,255.67	983,255.67
3	Protect'n work, rip rap, retain'g walls	1,977.50		1,977.50		2,825.00	2,825.00	2,825.00	2,825.00
4	Tunnels	None		None		None	None	None	None
5	Cross ties and switch ties	448,014.90		448,014.90		353,287.25	190,421.83	353,287.25	190,421.83
6	Ballast	518,382.20		518,382.20		224,551.05	224,551.05	224,551.05	224,551.05
7	Rails	662,572.80		662,572.80		577,120.00	420,045.77	577,120.00	420,045.77
8	Track fastenings	86,861.47		86,861.47		82,615.91	60,144.38	82,615.91	60,144.38
9	Switches, frogs & railroad crossings	18,613.87		18,613.87		17,614.82	12,205.35	17,614.82	12,205.35
10	Track laying and surfacing	154,464.00		154,464.00		107,745.00	107,745.00	107,745.00	107,745.00
11	Bridges, trestles and culverts	129,418.23		129,418.23		118,477.28	74,586.65	118,477.28	74,586.65
12	Track and bridge tools	4,091.50		4,091.50		4,091.50	3,068.62	4,091.50	3,068.62
13	Fences, cattle guards and signs	11,936.46		11,936.46		11,677.47	5,838.73	11,677.47	5,838.73
14	Stock yards and appurtenances	712.40		712.40		864.38	624.95	864.38	624.95
15	Water stations	26,510.81		26,510.81		26,510.81	17,921.31	26,510.81	17,921.31
16	Coal stations	10,294.00		10,294.00		10,294.00	7,215.44	10,294.00	7,215.44
17	Station buildings and fixtures	34,139.14		34,139.14		35,124.30	29,248.64	35,124.30	29,248.64
18	Miscellaneous buildings	19,845.20		19,845.20		20,825.00	17,356.35	20,825.00	17,356.35
19	Steam & elec. power plants, gas plants	None		None		None	None	None	None
20	General repair shops	None		None		None	None	None	None
21	Shop machinery and tools	None		None		None	None	None	None
22	Eng. houses, turntables & cinder pits	7,200.00		7,200.00		7,150.00	5,900.50	7,150.00	5,900.50
23	Track scales	1,819.00		1,819.00		1,600.00	1,280.00	1,600.00	1,280.00
24	Docks & wharves (inc. coal & ore d'ks)	None		None		None	None	None	None
25	Interlocking plants	5,700.00		5,700.00		5,700.00	4,560.00	5,700.00	4,560.00
26	Signal apparatus	None		None		None	None	None	None
27	Telegraph lines and appurtenances	21,163.60		21,163.60		21,163.60	15,872.70	21,163.60	15,872.70
28	Telephone lines and appurtenances	None		None		None	None	None	None

Present value not reported by Ry. Co.

Present value not reported by Ry. Co.

29	Adaptat'n & solidificat'n of roadbed	None		None		152,905.51	152,905.51	152,905.51	152,905.51
	Total of items 1 to 29 inclusive....	$3,364,115.62		$3,575,433.12		$2,804,984.70	$2,377,159.60	$2,883,359.00	$2,455,533.90
30	Engineering supt'nce, legal expenses	134,564.62		142,917.32		126,224.31	126,224.31	129,751.15	129,751.15
	Total of items 1 to 30 inclusive....	$3,498,680.24		$3,718,350.44		$2,931,209.01	$2,503,383.91	$3,013,110.15	$2,585,285.05
31	Locomotives	178,563.79		178,563.79		163,091.12	124,729.19	163,091.12	124,729.19
32	Passenger equipment	34,700.00		34,700.00		34,700.00	25,760.00	34,700.00	25,760.00
33	Freight car equipment	272,250.00		272,250.00		272,250.00	190,790.00	272,250.00	190,790.00
34	Miscellaneous equipment	5,024.75		5,024.75		14,024.75	13,763.76	14,024.75	13,763.76
35	Marine equipment	None		None		None	None	None	None
	Total of items 1 to 35 inclusive....	$3,989,218.78		$4,208,888.98		$3,415,274.88	$2,858,426.86	$3,497,176.02	$2,940,328.00
36	Freight on construction material	None		None		132,686.41	132,686.41	132,686.41	132,686.41
	Total of items 1 to 36 inclusive....	$3,989,218.78		$4,208,888.98		$3,547,961.29	$2,991,113.27	$3,629,862.43	$3,073,014.41
37	Contingencies	458,760.16		483,734.74		177,398.06	177,398.06	181,493.12	181,493.12
38	Stores and supplies in Minnesota	15,875.10		15,875.10		15,875.10	15,875.10	15,875.10	15,875.10
	Interest during construction	223,396.25		235,557.78		135,802.23	135,802.23	139,078.28	139,078.28
	Grand Totals	$4,687,250.29		$4,944,056.60		$3,877,036.68	$3,320,188.66	$3,966,308.93	$3,409,460.91
	Omitting adaptation and solidification of roadbed, $167,431.53					$3,709,605.15	$3,152,757.13		

CHARTS

TOO LARGE FOR FILMING

DEFENDANTS' EXHIBIT YY. FLINN. (N. P.)

Statement showing the First Class Rates (Old and Present) from St. Paul to Stations on various roads in Minnesota and Iowa.

Stations to	Miles	Old First Class Rate	New First Class Rate	
C. St. P. Mpls. & O. and C. & N.W. Ry.				
Blue Earth....Minn.	132	40	37.5	
Elmore.... "	141	42	38.5	
Ledyard....Iowa	148	53	53	
Bancroft.... "	158	53	53	
Worthington....Minn.	177	50	46.3	
Org.... "	181	52	46.3	
Bigelow.... "	187	53	47.3	
Sibley....Iowa	195	55	55	
Ashton.... "	201	55	55	
Luverne....Minn.	210	57	50.2	
Ash Creek.... "	218	57	50.2	
Rock Rapids....Iowa	225	57	57	
Lakewood.... "	232	57	57	
Doon.... "	238	57	57	
Luverne....Minn.	210	57	50.2	
Beaver Creek.... "	218	57	50.2	
Valley Springs....S. D.	224	57	57	
Brandon.... "	231	57	57	
Sioux Falls.... "	239	57	57	
Chicago Great Western Ry.				
Elkton....Minn.	98	39	30.6	
Taopi.... "	106	39	32.6	
Bailey....Iowa	113	42	42	
McIntire.... "	115	42	42	
Austin....Minn.	98	37	30.6	
Varco.... "	102	38	31.6	
Lyle.... "	109	38	32.6	
Melton....Iowa	115	43	36	Reduced 6/20/08.
Bolan.... "	122	43	36	Reduced 6/20/08.
Mason City.... "	139	43	43	
Ostrander....Minn.	143	42	36.5	
LeRoy.... "	150	42	36.5	
David....Iowa	162	42	42	
Little Cedar.... "	166	43	43	
Osage.... "	174	45	45	

Stations to	Miles	Old First Class Rate	New First Class Rate	
M. & St. Louis R. R. Co.				
Albert Lea.....Minn.	119	38	31.6	
Twin Lakes..... "	126	38	33.6	
Emmons.....Iowa	132	39	39	
Lake Mills..... "	138	40	42	
Leland..... "	147	41	42	
Madison.....Minn.	182	52	44.3	
Marietta..... "	193	54	47.3	
Revillo.....S. D.	200	55	48	
Strandburg..... "	211	58	50	
Troy..... "	217	59	52	
Watertown..... "	234	63	57	
Sherburn.....Minn.	150	44	38.5	
Dunnell..... "	157	46	39.4	
Huntington.....Iowa	162	48	48	
Estherville..... "	168	50	50	
C. M. & St. P. Ry. Co.				
Brownsville.....Minn.	138	42	38.5	
Reno..... "	145	44	38.5	
New Albin.....Iowa	153	45	45	
Lansing..... "	158	47	47	
Dakota.....Minn.	121	39	35 5	
Dresbach..... "	123	40	35.5	
La Crosse.....Wis.	131	40	36.6	
Taopi.....Minn.	118	39	32.6	
LeRoy..... "	126	42	35.5	
Chester.....Iowa	134	43	43	
Lime Springs..... "	139	44	44	
Varco.....Minn.	104	38	31.6	
Lyle..... "	111	38	32.6	
Otranto.....Iowa	115	41	41	
Carpenter..... "	118	43	43	
Pipestone.....Minn.	269	57	50.2	
Airlie..... "	275	60	55.5	
Flandreau.....S. D.	284	63	63	Reduced 6/7/07 to 57c.
Egan..... "	288	65	65	Reduced 6/7/07 to 57c.
Dumont.....Minn.	219	55	49.2	
Wheaton..... "	226	57	49.2	
White Rock.....S. D.	235	58	51	
Blackmere.....N. D.	239	59	51	Reductions made to meet short line rate via G. N. Ry., 210 miles.
Fairmount..... "	245	60	51	
Tyler..... "	251	60	51.2	
Wahpeton..... "	259	61	51.2	

Stations to		Miles	Old First Class Rate	New First Class Rate	
Chicago, Rock Island & Pacific Ry.					
Glenville	Minn.	108	38	32.6	
Gordonsville	"	113	41	33.6	
Northwood	Iowa	118	43	36	
Kensett	"	124	43	38	
Walters	Minn.	118	40	34.5	
Bricelyn	"	127	40	36.5	
Rake	Iowa	134	41	39.5	
Germania	"	146	42	42	
Worthington	Minn.	231	50	46.3	
Round Lake	"	221	50	46.3	
Lake Park	Iowa	212	55	55	
Montgomery	"	206	55	55	
Kanaranzi	Minn.	286	57	50.2	
Ellsworth	"	251	57	50.2	
Little Rock	Iowa	242	57	57	
Sibley	"	234	55	55	
Rock Rapids	"	260	57	57	
Pipestone	Minn.	284	57	50.2	
Cazenovia	"	289	60	52	
Cresson	"	295	61	53	
Ward	S. D.	298	63	55	
Elkton	"	304	63	56	
Watertown	"	369	63	57	Reduced 1/1/07 meet St. L. Short Line rate.

DEFENDANTS' EXHIBIT Z.Z. FLINN. (N. P.)

STATEMENT SHOWING RATES ON MERCHANDISE FROM ST. PAUL TO STATIONS NAMED IN MARGIN.

1. Rate to Moorhead as per order of Commission, Sept. 6, 1906, and beyond Moorhead on basis of rate per ton mile, earned under order of Commission on haul from St. Paul to Moorhead.

2. Present rates to same points voluntarily maintained by Northern Pacific Railway Co., and rate per ton mile allowed thereby.

Between St. Paul and		Miles	Comm. Rate In $ & c	Per Ton per Mile cents	Present Rate In $ & c	Per Ton per mile cents
Moorhead, Minn.....	1	248	0.541	4.36	0.541	4.36
	2	248	0.451	3.64	0.451	3.64
	3	248	0.361	2.91	0.361	2.91
	4	248	0.271	2.18	0.271	2.18
	5	248	0.217	1.75	0.217	1.75
	A	248	0.244	1.96	0.244	1.96
	B	248	0.189	1.52	0.189	1.52
	C	248	0.162	1.31	0.162	1.31
	D	248	0.135	1.09	0.185	1.09
	E	248	0.108	0.87	0.108	0.87
Casselton, No. Dakota.....	1	268	0.584	4.36	0.600	4.48
	2	268	0.487	3.64	0.500	3.73
	3	268	0.389	2.91	0.400	2.98
	4	268	0.292	2.18	0.300	2.24
	5	268	0.234	1.75	0.240	1.79
	A	268	0.262	1.96	0.270	2.01
	B	268	0.203	1.52	0.210	1.57
	C	268	0.175	1.31	0.180	1.34
	D	268	0.146	1.09	0.150	1.12
	E	268	0.116	0.87	0.120	0.89
Valley City, No. Dakota.....	1	306	0.667	4.36	0.700	4.57
	2	306	0.556	3.64	0.580	3.79
	3	306	0.445	2.91	0.470	3.07
	4	306	0.333	2.18	0.350	2.28
	5	306	0.263	1.75	0.280	1.83
	A	306	0.300	1.96	0.320	2.09
	B	306	0.232	1.52	0.250	1.63
	C	306	0.200	1.31	0.210	1.37
	D	306	0.166	1.09	0.180	1.16
	E	306	0.133	0.87	0.140	0.91
Jamestown, No. Dakota.....	1	341	0.743	4.36	0.770	4.51
	2	341	0.621	3.64	0.640	3.75
	3	341	0.496	2.91	0.510	2.99
	4	341	0.371	2.18	0.380	2.23
	5	341	0.298	1.75	0.310	1.82
	A	341	0.334	1.96	0.340	1.99
	B	341	0.259	1.52	0.270	1.58
	C	341	0.223	1.31	0.230	1.34
	D	341	0.185	1.09	0.190	1.11
	E	341	0.148	0.87	0.150	0.88
Steele, No. Dakota.....	1	400	0.872	4.36	0.900	4.50
	2	400	0.728	3.64	0.750	3.75
	3	400	0.582	2.91	0.600	3.00
	4	400	0.436	2.18	0.450	2.25
	5	400	0.350	1.75	0.360	1.80
	A	400	0.392	1.96	0.380	1.90

Between St. Paul and		Miles	Comm. Rate in $ & c	Per Ton per Mile cents	Present Rate in $ & c	Per Ton per Mile cents
Steele, No. Dakota cont'd...	B	400	0.304	1.52	0.310	1.55
	C	400	0.262	1.31	0.270	1.35
	D	400	0.218	1.09	0.220	1.10
	E	400	0.174	0.87	0.180	0.90
McKenzie, No. Dakota.....	1	425	0.926	4.36	0.960	4.51
	2	425	0.774	3.64	0.800	3.76
	3	425	0.618	2.91	0.640	3.01
	4	425	0.463	2.18	0.480	2.26
	5	425	0.371	1.75	0.380	1.78
	A	425	0.416	1.96	0.390	1.83
	B	425	0.323	1.52	0.330	1.55
	C	425	0.278	1.31	0.280	1.31
	D	425	0.231	1.09	0.240	1.13
	E	425	0.184	0.87	0.190	0.89
Bismarck, No. Dakota.....	1	443	0.965	4.36	0.980	4.42
	2	443	0.806	3.64	0.820	3.70
	3	443	0.644	2.91	0.650	2.93
	4	443	0.482	2.18	0.490	2.21
	5	443	0.387	1.75	0.390	1.76
	A	443	0.434	1.96	0.400	1.80
	B	443	0.336	1.52	0.340	1.53
	C	443	0.290	1.31	0.290	1.31
	D	443	0.241	1.09	0.250	1.13
	E	443	0.192	0.87	0.200	0.90
Dickinson, No. Dakota.....	1	550	1.199	4.36	1.270	4.61
	2	550	1.001	3.64	1.080	3.92
	3	550	0.800	2.91	0.880	3.20
	4	550	0.599	2.18	0.701	2.55
	5	550	0.481	1.75	0.525	1.91
	A	550	0.539	1.96	0.560	2.04
	B	500	0.418	1.52	0.489	1.78
	C	550	0.360	1.31	0.422	1.53
	D	550	0.299	1.09	0.345	1.25
	E	550	0.239	0.87	0.278	1.01
Glendive, Montana.....	1	665	1.449	4.36	1.490	4.48
	2	665	1.210	3.64	1.270	3.82
	3	665	0.967	2.91	1.040	3.13
	4	665	0.724	2.18	0.890	2.68
	5	665	0.581	1.75	0.750	2.25
	A	665	0.651	1.96	0.750	2.25
	B	665	0.505	1.52	0.600	1.81
	C	665	0.435	1.31	0.520	1.56
	D	665	0.362	1.09	0.450	1.35
	E	665	0.289	0.87	0.370	1.11
Miles City, Montana.....	1	743	1.619	4.36	1.650	4.44
	2	743	1.352	3.64	1.400	3.77
	3	743	1.081	2.91	1.16	3.12
	4	743	0.809	2.18	0.990	2.66
	5	743	0.650	1.75	0.830	2.23
	A	743	0.728	1.96	0.830	2.23
	B	743	0.564	1.52	0.660	1.77
	C	743	0.486	1.31	0.580	1.56
	D	743	0.405	1.09	0.470	1.26
	E	743	0.323	0.87	0.390	1.05

Between St. Paul and		Miles	Comm. Rate In $ & c	Per Ton per Mile cents	Present Rate in $ & c	Per Ton per Mile cents
Billings, Montana	1	890	1.940	4.36	1.950	4.38
	2	890	1.619	3.64	1.650	3.71
	3	890	1.194	2.91	1.350	3.03
	4	890	0.970	2.18	1.170	2.63
	5	890	0.778	1.75	0.980	2.20
	A	890	0.872	1.96	0.980	2.20
	B	890	0.626	1.52	0.780	1.75
	C	890	0.532	1.31	0.680	1.53
	D	890	0.485	1.09	0.500	1.12
	E	890	0.387	0.87	0.400	0.90
Livingston, Montana	1	1006	2.193	4.36	2.150	4.27
	2	1006	1.831	3.64	1.830	3.63
	3	1006	1.463	2.91	1.510	3.00
	4	1006	1.096	2.18	1.290	2.56
	5	1006	0.880	1.75	1.080	2.14
	A	1006	0.985	1.96	1.080	2.14
	B	1006	0.764	1.52	0.860	1.71
	C	1006	0.658	1.31	0.750	1.49
	D	1006	0.548	1.09	0.540	1.07
	E	1006	0.437	0.87	0.430	0.85
Helena, Montana	1	1129	2.461	4.36	2.250	3.98
	2	1129	2.054	3.64	1.900	3.36
	3	1129	1.642	2.91	1.580	2.80
	4	1129	1.230	2.18	1.350	2.39
	5	1129	0.987	1.75	1.130	1.00
	A	1129	1.106	1.96	1.130	1.00
	B	1129	0.858	1.52	0.900	1.59
	C	1129	0.739	1.31	0.800	1.41
	D	1129	0.615	1.09	0.550	0.97
	E	1129	0.491	0.87	0.450	0.79
Butte, Montana	1	1129	2.461	4.36	2.250	3.98
	2	1129	2.054	3.64	1.900	3.36
	3	1129	1.642	2.91	1.580	2.80
	4	1129	1.230	2.18	1.350	2.39
	5	1129	0.987	1.75	1.130	1.00
	A	1129	1.106	1.96	1.130	1.00
	B	1129	0.858	1.52	0.900	1.59
	C	1129	0.739	1.31	0.800	1.41
	D	1129	0.615	1.09	0.550	0.97
	E	1129	0.491	0.87	0.450	0.79
Missoula, Montana	1	1253	2.731	4.36	2.360	3.76
	2	1253	2.280	3.64	2.010	3.21
	3	1253	1.823	2.91	1.650	2.63
	4	1253	1.365	2.18	1.420	2.26
	5	1253	1.096	1.75	1.180	1.89
	A	1253	1.227	1.96	1.180	1.89
	B	1253	0.952	1.52	0.940	1.50
	C	1253	0.821	1.31	0.830	1.32
	D	1253	0.682	1.09	0.590	0.94
	E	1253	0.545	0.87	0.470	0.75
Spokane, Wash	1	1510	3.291	4.36	3.000	3.97
	2	1510	2.748	3.64	2.600	3.44
	3	1510	2.197	2.91	2.200	2.91
	4	1510	1.645	2.18	1.900	2.51

DEFENDANTS' EXHIBIT Z.Z. FLINN. (N. P.)—*Cont.*

Between St. Paul and		Miles	Comm. Rate In $ & c	Per Ton per Mile cents	Present Rate In $ & c	Per Ton per Mile cents
Spokane, Wash. cont'd	5	1510	1.321	1.75	1.500	1.99
	A	1510	1.479	1.96	1.450	1.21
	B	1510	1.147	1.52	1.250	1.66
	C	1510	0.989	1.31	1.000	1.33
	D	1510	0.822	1.09	0.950	1.26
	E	1510	0.656	0.87	0.850	1.12
Seattle, Wash.....	1	1909	4.161	4.36	3.000	3.14
	2	1909	3.474	3.64	2.600	2.72
	3	1909	2.778	2.91	2.200	2.31
	4	1909	2.081	2.18	1.900	1.99
	5	1909	1.670	1.75	1.500	1.57
	A	1909	1.871	1.96	1.450	1.53
	B	1909	1.450	1.52	1.250	1.31
	C	1909	1.250	1.31	1.000	1.05
	D	1909	1.040	1.09	0.950	0.99
	E	1909	0.830	0.87	0.850	0.89

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DEFENDANTS' EXHIBIT 3-A. FLINN. (N. P.)

STATEMENT ANALYZING COMPLAINANT'S "EX. 48 BAIRD" AND SHOWING AS TO THE MERCHANDISE MENTIONED IN EX. 48.

1. Sum of local car load rates from St. Paul to Fargo and Fargo to station named in margin.
2. Through car load rate from St. Paul to station named in margin.
3. Sum of local rates (less than car loads) St. Paul to Fargo and Fargo to station named in margin.
4. Through rate (less than car loads) from St. Paul to station named in margin.

From St. Paul to		Beans dry in Sacks				Canned Meats and Soups				Syrup, Sugar and Rice				Plows, Mowers and Seed Drills				Oranges			
		1 CL	2 Thru CL	3 LCL	4 Thru LCL	1 CL	2 Thru CL	3 LCL	4 Thru LCL	1 CL	2 Thru CL	3 LCL	4 Thru LCL	1 CL	2 Thru CL	3 LCL	4 Thru LCL	1 CL	2 Thru CL	3 LCL	4 Thru LCL
Mandan	A	18.7	....	36.1	....	21.7	....	27.1	....	18.7	....	27.1	....	24.4	....	36.1	....	36.1	....	54.1	....
	B	25.0	....	42.0	....	25.0	....	32.0	....	25.0	....	32.0	....	25.0	....	42.0	....	42.0	....	63.0	....
		43.7	40.0	78.1	67.0	46.7	40.0	59.1	51.0	43.7	40.0	59.1	51.0	49.4	40.0	78.1	67.0	78.1	67.0	117.1	1.00
New Salem	A	18.7	....	36.1	....	21.7	....	27.1	....	18.7	....	27.1	....	24.4	....	36.1	....	36.1	....	54.1	....
	B	28.0	....	46.0	....	28.0	....	35.0	....	28.0	....	35.0	....	28.0	....	46.0	....	46.0	....	69.0	....
		46.7	46.5	82.1	75.0	49.7	46.5	62.1	60.0	46.7	46.5	62.1	60.0	52.4	47.0	82.1	75.0	82.1	75.0	123.1	1.11
Glenullen	A	18.7	....	36.1	....	21.7	....	27.1	....	18.7	....	27.1	....	24.4	....	36.1	....	36.1	....	54.1	....
	B	30.0	....	50.0	....	30.0	....	38.0	....	30.0	....	38.0	....	30.0	....	50.0	....	50.0	....	75.0	....
		48.7	48.5	86.1	80.0	51.7	48.5	65.1	65.0	48.7	48.5	65.1	65.0	54.4	50.0	86.1	80.0	86.1	80.0	129.1	1.17
Hebron	A	18.7	....	36.1	....	21.7	....	27.1	....	18.7	....	27.1	....	24.4	....	36.1	....	36.1	....	54.1	....
	B	31.0	....	51.0	....	31.0	....	39.0	....	31.0	....	39.0	....	31.0	....	51.0	....	51.0	....	77.0	....
		49.7	49.5	87.1	82.0	52.7	49.5	66.1	66.1	49.7	49.5	66.1	66.1	55.4	51.0	87.1	82.0	87.1	82.0	131.1	1.19
Dickinson	A	18.7	....	36.1	....	21.7	....	27.1	....	18.7	....	27.1	....	24.4	....	36.1	....	36.1	....	54.1	....
	B	34.0	....	56.0	....	34.0	....	43.0	....	34.0	....	43.0	....	34.0	....	56.0	....	56.0	....	85.0	....
		52.7	52.5	92.1	88.0	55.7	52.5	70.1	70.1	52.7	52.5	70.1	70.1	68.4	56.0	92.1	88.0	92.1	88.0	139.1	1.27
Belfield	A	18.7	....	36.1	....	21.7	....	27.1	....	18.7	....	27.1	....	24.4	....	36.1	....	36.1	....	54.1	....
	B	36.0	....	59.0	....	36.0	....	45.0	....	36.0	....	45.0	....	36.0	....	59.0	....	59.0	....	89.0	....
		54.7	54.5	95.1	90.0	57.7	54.5	72.1	72.1	54.7	54.5	72.1	72.1	60.4	59.0	95.1	90.0	95.1	90.0	143.1	1.30
Beach	A	18.7	....	36.1	....	21.7	....	27.1	....	18.7	....	27.1	....	24.4	....	36.1	....	36.1	....	54.1	....
	B	39.0	....	65.0	....	39.0	....	49.0	....	39.0	....	49.0	....	39.0	....	65.0	....	65.0	....	98.0	....
		57.7	57.5	101.1	98.0	60.7	57.5	76.1	76.1	57.7	57.5	76.1	76.1	63.4	63.4	101.1	98.0	101.1	98.0	152.1	1.40

A. Local from St. Paul to Fargo.

MAPS
TOO
LARGE
FOR
FILMING

DEFENDANTS' EXHIBIT 3-B. FLINN. (N. P.)

Old, new and proposed 1st class rates from Minneapolis to stations on main line of N. P. Ry., from Moorhead to Bismarck, with distances.

Stations	Old	New	Prop.	Miles
Moorhead	67	54.1	54.1	238
Fargo	67	54.1	54.1	239
Haggart	69	56	56	244
Fife	70	57	58	247
Mapleton	70	58	60	251
Greene	70	59	62	254
Dalrymple	71	60	64	257
Casselton	71	60	66	259
Glacis	72	61	68	263
Wheatland	72	62	70	265
Magnolia	73	62	72	269
Buffalo	74	63	74	275
Tower City	76	65	76	281
Oriska	77	66	77	286
Alta	78	68	78	291
Valley City	79	70	79	297
Sanborn	81	72	81	308
Eckelson	82	73	82	313
Spiritwood	83	74	83	321
Blooms	85	76	85	327
Jamestown	86	77	86	332
Eldridge	87	78	87	338
Oswego	89	79	89	344
Cleveland	90	82	90	352
Needina	90	83	90	360
Ladoga	94	86	94	373
Tappen	94	87	94	376
Dawson	95	88	95	382
Steele	96	90	96	390
Driscoll	97	93	97	401
McKenzie	98	96	98	415
Burleigh	99	96	99	420
Bismarck	100	98	100	433

Old, new and proposed 1st class rates from Minneapolis to stations on Soo Line, from Tenney to Bismarck, with distances.

Stations	Old	New	Prop.	Miles
Tenney	58	48.3	48.3	184
Fairmont	60	51	51	191
Oswald	61	52	53	197
Hankinson	63	53	55	206
Stiles	64	55	57	213
Lidgerwood	65	56	59	218
Alicia	66	57	61	224
Ransom	67	59	63	229
Perry	69	61	65	235
Forman	70	63	67	241
Towanda	70	65	69	247
Cogswell	70	65	70	248
Nicholson	71	67	71	253
Hample	74	70	74	259
Oakes	77	73	77	264
Norway	79	73	79	267
Clement	79	74	79	272
Fullerton	80	75	80	281
Boynton	80	77	80	288
Kilbernie	80	77	80	291
Merricourt	82	79	82	298
Kulm	83	79	83	310
Fredonia	87	81	87	317
Lehr	90	84	90	331
Nishek	94	86	94	341
Burnstad	95	88	95	357
Napoleon	95	90	95	362
Campbell	96	92	96	372
Braddock	96	94	96	379
Moffet	98	96	98	392
Brittin	98	96	98	399
Stewartdale	99	97	99	408
Bismarck	100	98	100	420

Old, new and proposed 1st class rates from Minneapolis on branch of Soo Line, extending from Tenney to Valley City, with distances.

Stations	Old	New	Prop.	Miles
Tenney	58	48.3	48.3	184
Fairmont	60	51	51	191
Oswald	61	52	53	197
Hankinson	63	53	55	206
Mantador	64	55	57	213
Moselle	65	57	59	220
Wyndmere	66	58	61	223
Sandoun	68	60	63	236
Venlo	70	62	65	245
Anselm	72	63	67	257
Enderlin	72	63	69	257
Lucia	75	65	71	265
Fingue	75	66	73	271
Cuba	77	67	75	276
Lanona	78	69	77	282
Valley City	79	70	79	287

DEFENDANTS' EXHIBIT 3-C. STAPLES.

Statement illustrating character of Special Tariffs for limited periods issued by various Roads prior to Act of 1905 forbidding change in Rates without permission of Commission.

Name of Road	Station From	Station To	Commodity	Rate ¢	Rate at reg. Tariff ¢	Date Effective	Date Expires	Date Filed	Tariff No.
Nor. Pac. Ry.	Little Falls	St. Paul	Exhibits	16	.....	Aug. 22nd, 1904	Aug. 27th, 1904	Aug. 23rd, 1904	15,038
N. P. & C. G. W.	Bemidji	Red Wing	Mdse. etc	46	92	Oct. 4th, 1904	Oct. 10th, 1904	Oct. 3rd, 1904	16,239
N. P. Ry.	Aitkin	New Duluth.	Tel. Poles	7	9½	Dec. 30th 1904	Jan. 30th, 1905	Dec. 29th, 1904	16,754
" "	Duluth	Minneapolis	Wheat	5	7½	Jan. 12th, 1905	Feb. 28th, 1905	Jan. 9th, 1905	16,830
" "	Clear Lake	"	Salt Pickles	5	12	Jan. 10th, 1905	Mch. 31st, 1905	Jan. 9th, 1905	16,833
" "	Perham	"	"	15	22	"	"	"	"
G. N. Ry.	Duluth	"	Wheat	5	7½	Jan. 12th, 1905	Feb. 28th, 1905	Jan. 9th, 1905	14,576
" "	St. Paul	Duluth	"	4	7½	Sept. 17th, 1904	Nov. 1st, 1904	Oct. 12th, 1904	13,618
" "	Princeton	Marshall	Brick	6	7½	June 24th, 1904	Sept. 15th, 1904	June 21st, 1904	12,925
" "	St. Cloud	Breckenridge	Rough Stone	5½	7	June 27th, 1904	July 27th, 1904	June 23rd, 1904	13,349
" "	Cloquet	Grand Rapids	Wood Pulp	3½	11	Dec. 31st, 1904	June 30th, 1905	Jan. 5th, 1905	14,548
C. M. & St. P.	Minneapolis	Wabasha	Wheat	2	10	Feb. 15th, 1904	Mch. 31st, 1904	Feb. 17th, 1904	43,512
"	Newport	Minn. Trans.	Mattresses	8½	12	Sept. 1st, 1902	Dec. 31st, 1904	Sept. 17th, 1902	37,165
"	Lake City				10				
"	Hastings		Grain Screenings		11¼				
"	Wabasha	Winona		4½	8½	Mch. 5th, 1904	April 30th, 1904	Mch. 10th, 1904	A3,747
"	Red Wing				10¼				
C. St. P. M. & O.	Bet St Paul &	Duluth	Wheat	4	7½	Oct. 11th, 1904	Oct. 31st, 1904	Nov. 2nd 1904	11,863
"	Butterfield	St. James	Hay	10.00 per car	5	Dec. 9th, 1903	Dec. 31st, 1903	Dec. 11th, 1903	5,976
N. P.	Minneapolis	Rices & Ret.	Wheat	10	17	Jan. 30th, 1905	Mch. 10th, 1905	Jan. 30th, 1905	16,935

DEFENDANTS' EXHIBIT 3-D. STAPLES.

Statement giving Commodity Rates prescribed by Chapter 232, Laws 1907, for Distances of Fifty Miles and Multiples thereof, and Terminal Rates Actually Maintained by Respective Railways from Stations Approximately Equally Distant from Terminals.

Name of Railroad	Mileage Key	Miles from Minn. Trans. to Station	Grain Rates			Lumber	Live Stock Rates			Miles from Duluth to Stations	Grain Rates			Coal Rates in $ and c. per ton	
			Flax	Wheat	Coarse Grain		Cattle	Hogs	† Sheep		Flax	Wheat	Coarse Grain	Hard	Soft
C. G. W. Ry.	50	50	6.9	8	7	7.5	9¼	9¼	9¼		No haul for this distance				
C. M. & St. P. Ry.		50	6.9	7	7	7.5	9½	9½	9½		No haul for this distance				
C. & N. W. Ry.		No haul for this distance									No haul for this distance				
C. St. P. M. & O. Ry.		51	9	7	7	7	10	10	10		No haul for this distance				
C. R. I. & P. Ry.		51	8	8	7	8	9¼	9¼	9¼		No haul for this distance				
G. N. Ry.		50	6	6	6	6	8¼	11¼	8¼		50	5	7½	5	1.25 .90
M. & St. L. R. R. Co.		50	6	6	6	6½	9½	9½	9½		No haul for this distance				
M. St. P. & S. S. M. Ry.		50	6	6	6	6	8½	11	8½		No haul for this distance				
N. P. Ry.		51	6½	6½	6½	6	8½	10¾	8½		49	5	7	5	1.05 .80
Chapter 232		.....	5.7	5.7	5	6½	9.8	11	9.8	.....	5.7	5.7	5	.77	.62
C. G. W. Ry.	100	102	10	10	9	10	12	12	12		No haul for this distance				
C. M. & St. P. Ry. Co.		102	10	10	9	9	12	12	12		No haul for this distance				
C. & N. W. Ry.		101	8.7	10	9	9	12	12	12		No haul for this distance				
C. St. P. M. & O. Ry.		101	11.5	9	9	9½	13½	13½	13½		No haul for this distance				
C. R. I. & P. Ry.		106	10	10	9	9	12	12	12		No haul for this distance				
G. N. Ry.		102	7	7	7	8½	12	14½	12	101	5	7.5	5	1.25	.90
M. & St. L. R. R.		101	10	10	8	9	12	12	12		No haul for this distance				
M. St. P. & S. S. M. Ry.		99	7½	7½	7½	9½	12¼	15½	12¼		No haul for this distance				
N. P. Ry.		101	7½	7½	7½	9½	12½	15½	12½	99	5	7.5	5	1.25	.90
Chapter 232		.....	7.8	7.8	7	9	12	13.5	12	.....	7.8	7.8	7	1.01	.82
C. G. W. Ry.	150	150	13	12½	10	10	14½	14½	14½		No haul for this distance				
C. M. & St. P. Ry.		151	12½	12½	12½	10	15	15	15		No haul for this distance				
C. & N. W. Ry.		150	13	10	9	10½	16	16	16		No haul for this distance				
C. St. P. M. & O. Ry.		150	13	10.5	10	11½	16	16	16	157	9	8½	8½	1.50	1.15

C. R. I. & P. Ry.		No haul for this distance								No haul for this distance						
G. N. Ry.		150	9	9	9	11½	14¼	18	14¼	151	10	10	10	1.50	1.35
M. & St. L. R. R.		152	13½	11	10	11	16	16	16	No haul for this distance						
M. St. P. & S. S. M. Ry.		151	9	9	9	11	14½	18½	14½	159						
N. P. Ry.		148	9	9	9	9½	13¾	17½	13¾	149	9½	9½	9½	1.50	1.35
Chapter 232.		.....	8.7	8.7	7.6	10	14.2	15.9	14.2	.....	8.7	8.7	7.6	1.19	.95
C. G. W. Ry.	200	No haul for this distance								No haul for this distance						
C. M. & St. P. Ry.		204	11	10	10	12½	16½	21	21	201	11.3	13	12	2.00	1.40
C. & N. W. Ry.		200	13½	10½	10	12	18	18	18	No haul for this distance						
C. St. P. M. & O. Ry.		201	13½	10½	10	12	18	18	18	202	14	12	12	1.95	1.40
C. R. I. & P. Ry.		No haul for this distance								202	.....	.....	.....	.....	.....
G. N. Ry.		200	10½	10½	10½	13½	17	21½	17	200	11	11	11	1.94	1.84
M. & St. L. R. R.		No haul for this distance								200	.....	.....	.....	.....	.....
M. St. P. & S. S. M. Ry.		197	10	10	10	13	15¼	19¼	15¼	201	.....	.....	.....	.....	.....
N. P. Ry.		201	10½	10½	10½	9½	17	21½	17	201	10	10	10	1.90	1.80
Chapter 232.		.....	9.6	9.6	8.4	11	16.3	18.4	16.3	.....	9.6	9.6	8.4	1.44	1.16
C. G. W. Ry.	250	No haul for this distance								251	.....	.....	.....	.....	.....
C. M. & St. P. Ry.		No haul for this distance.								250	15	14.5	13	2.00	1.40
C. & N. W. Ry.		No haul for this distance								252	.....	.....	.....	.....	.....
C. St. P. M. & O. Ry.		No haul for this distance.								252	15½	14	13	2.10	1.70
C. R. I. & P. Ry.		251	14½	12	12	12	17	17	17	257	.....	.....	.....	.....	.....
G. N. Ry.		251	14	14	14	11½	20	26	20	251	14½	13	13	2.10	1.90
M. & St. L. R. R. Co.		No haul for this distance								252	.....	.....	.....	.....	.....
M. St. P. & S. S. M. Ry.		254	11	11	11	15½	19	24	19	250	.....	.....	.....	.....	.....
N. P. Ry.		252	11	11	11	15½	19½	24¾	19½	251	11	11	11	2.10	2.00
Chapter 232.		.....	10.2	10.2	8.9	11.8	17.4	19.6	17.4	.....	10.2	10.2	8.9	1.68	1.34
C. G. W. Ry.	300	No haul for this distance								301	.....	.....	.....	.....	.....
C. M. & St. P. Ry.		No haul for this distance								301	.....	.....	.....	2.25	2.25
C. & N. W. Ry.		No haul for this distance								300	.....	.....	.....	.....	.....
C. St. P. M. & O. Ry.		No haul for this distance								301	17	14½	13	2.25	2.00
C. R. I. & P. Ry.		300	14	11½	11½	13	19	19	19	.....	.....	.....	.....	.....	.....
G. N. Ry.		300	11	11	11	15½	20	25¼	20	301	11	11	11	2.10	2.00
M. & St. L. R. R.		No haul for this distance								303	.....	.....	.....	.....	.....
M. St. P. & S. S. M. Ry.		304	11	11	11	15½	20¼	25½	20¼	300	.....	.....	.....	.....	.....
N. P. Ry.		299	11	11	11	15½	20½	26	20½	301	11	11	11	2.10	2.00
Chapter 232.		.....	10.9	10.9	9.6	12½	18.5	20.8	18.5	.....	10.9	10.9	9.6	1.92	1.54

†Sheep in double deck cars.

SUPPLEMENTAL TO DOCKET A-8.

First-class rates and actual mileage from Minneapolis, Minn., to points on the Great Northern, Nor... Commissioner's rates for the same d...

Mileage Key	GREAT NORTHERN RAILWAY. STATIONS	Actu'l Miles	First Class	Comm'r's Rate	GREAT NORTHERN RAILWAY. STATIONS	Actu'l Miles	First Class	Comm'r's Rate	NORTHERN PACIFIC R... STATIONS	Actu'l Miles
5 miles										
10 "	Robbinsdale	11	10	14.0						
15 "	Osseo	17	12	14.9						
20 "					Long Lake	21	15	15.9	Cove Creek	12
25 "	Rogers	26	18	16.9	Maple Plain	26	18	15.9	Anoka	22
30 "					Delano	32	21	17.9	Isanti	30
35 "	St. Michaels	33	21	17.9					Elk River	34
40 "	Monticello	41	26	19.8	Montrose	39	24	18.9	Bethany	39
45 "	Silver Creek	46	28	20.8	Howard Lake	47	28	20.8	Big Lake	42
50 "	Hasty	51	30	21.8	Smith Lake	49	28	20.8	Buffalo	51
55 "	Clearwater	56	31	22.8	Cokato	55	30	21.8		
60 "					Dassel	59	31	22.8	Clear Lake	56
65 "	St. Augusta	63	33	23.8	Darwin	64	33	23.8	Cable	64
70 "	St. Cloud	69	34	24.7	Litchfield	70	35	24.7	St. Cloud	69
75 "	St. Joseph	77	36	25.7	Grove City	77	36	25.7	Bartells	72
80 "	Collegeville	80	37	26.7					Wetab	78
85 "	Avon	85	38	27.7	Atwater	83	37	26.7	Blue's	84
90 "	Albany	91	39	29.6	Kandiyohi	90	39	28.7	Royalton	90
95 "	Freeport	97	40	30.6	Willmar	95	40	29.6	Gregory	96
100 "					Pennock	102	41	31.6	Little Falls	101
105 "	Melrose	104	41	31.6					Darling	105
110 "	Sauk Centre	112	43	33.6	Kerkhoven	110	43	33.6	Randall	111
115 "					Murdock	114	45	35.6	Cushing	116
120 "	West Union	119	44	34.5	De Graff	119	44	34.5		
125 "	Osakis	125	46	35.5	Benson	126	46	36.5	Lincoln	126
130 "	Nelson	131	47	37.5	Clontarf	122	47	37.5	Phillbrook	130
135 "	Alexandria	136	48	38.5					Staples	135
140 "					Hancock	143	49	39.4	Aldrich	142
145 "	Garfield	143	49	39.4					Verndale	144
150 "	Brandon	149	50	40.4	Morris	151	50	40.4		
155 "	Evansville	154	50	41.4					Wadena	153
160 "	Melby	158	51	42.4	Donnelly	160	51	42.4	Sheldon	160
165 "	Ashby	163	52	43.4	Moose Island	165	52	43.4	New York Mills	166
170 "	Dalton	170	54	44.3	Herman	170	54	44.3	Richdale	171
175 "	Parkdale	177	55	46.3	Norcross	174	54	45.3	Perham	176
180 "	Fergus Falls	182	56	47.3	Beacon	180	55	46.3	Lenz	182
185 "					Tintah	186	57	48.3	Frazee	187
190 "	Carlisle	190	48	48.3					Mallagh	192
195 "					Campbell	196	58	49.2	Tri Boros Spur	196
200 "	Rothsay	198	59	50.2	Doran	200	59	50.2	Detroit	197
210 "	Barnesville	212	62	52.2	Brookenridge	208	61	51.2	Lake Park	210
220 "	Baker	221	64	53.2					Winnipeg Jct.	218
230 "	Sabin	227	65	53.2					Stockwood	220
240 "	Moorhead	236	67	54.1					Moorhead	232
250 "									Gary (Bismarck)	251
260 "									Perlin	263
270 "									Melvin	271
280 "										
290 "									Grandin	286
300 "									Merrill	299
310 "									Sullivan	310

APLES

m Pacific and Minneapolis & St. Louis Railways, respectively, and the
ranches.

LWAY.		MINNEAPOLIS & ST. LOUIS RAILWAY.				MINNEAPOLIS & ST. LOUIS RAILWAY.			
First Class	Comm'n Rate	Stations	Ass't Miles	First Class	Comm'n Rate	Stations	Ass't Miles	First Class	Comm'n Rate
		Minnetonka Mills	15	15	15				
12	14.9	Deephaven	19	17	14.9	Eden Prairie	18	18	14.9
15	15.9	Tonka Bay	25	20	15.9	Chaska	26	22	16.9
18	16.9	Victoria	28	20	16.9	Carver	28	22	16.9
21	17.9	Waconia	35	24	17.9	Jordan	36	28	18.9
24	18.9	Young America	43	26	19.8	Helena	40	28	18.9
26	19.8	Norwood	43	28	19.8	New Prague	44	28	20.8
30	21.8	Green Isle	51	30	21.8	Montgomery	53	37	21.8
		Arlington	57	30	22.8	Milford	55	38	22.8
31	22.8					Kilkenny	62	38	22.8
33	23.8	Gaylord	65	30	23.8				
34	24.7					Waterville	69	38	24.7
35	25.7	Winthrop	73	30	25.7				
36	26.7	Gibbon	81	33	27.7	Waseca	80	38	25.7
37	27.7					Otisco	88	38	25.7
38	28.7	Fairfax	90	36	28.7	New Richland	97	38	30.6
40	30.6								
41	31.6	Franklin	98	39	30.6	Hartland	98	38	30.6
42	31.6	Morton	104	40	31.6	Manchester	104	38	31.6
43	32.6	Redwood	110	42	32.6	Albert Lea	111	38	33.6
44	34.5	Delhi	116	44	34.5				
		Belview	122	45	35.5	Twin Lakes	118	38	34.6
45	35.5	Echo	128	48	36.5				
46	36.5								
47	37.5	Wood Lake	133	48	37.5				
49	39.4	Hanley Falls	138	48	38.5				
50	40.4	Hazel Run	144	48	39.4				
		Clarkfield	149	50	40.4				
50	41.4	Boyd	158	52	42.4				
51	42.4								
53	44.3	Dawson	165	58	43.4				
54	45.3								
55	46.3	Madison	174	62	45.3				
56	47.2								
57	48.3	Marietta	185	64	47.2				
58	49.2								
58	49.2								
59	50.2								
61	51.2								
63	52.2								
65	53.2								
67	58.1								
67	56.1								
67	57.1								
67	58.1								
67	59.								
67	60.								
67	61.								

DEFENDANTS' EXHIBIT 3-F. STAPLES.

Percentage of relation which the different classes of Merchandise bear to the First-class as established by Northern Pacific Ry. and as prescribed by order of Commission.

Commissioner's Order Between St. Paul and	Mi.	100%		83⅓%		66⅔%		50%		40%		45%		35%		30%		25%		20%	
		1	%	2	%	3	%	4	%	5	%	A	%	B	%	C	%	D	%	E	%
Coon Creek	13	12	100	10	83.33	8	66.66	6	50.00	5	41.66	5	41.66	4	33.33	4	33.33	3	25.00	2	16.66
Anoka	17	15	100	13	86.66	10	66.66	8	53.33	6	40.00	6	40.00	5	33.33	5	33.33	4	26.66	3	20.00
Elk River	29	21	100	18	85.71	14	66.66	11	52.38	8	38.09	8	38.09	7	33.33	6	28.57	5	23.81	4	19.05
Big Lake	38	26	100	22	84.61	17	65.38	13	50.00	10	38.46	10	38.46	9	34.61	8	30.77	6	23.08	5	19.23
Becker	46	30	100	26	86.66	20	66.60	15	50.00	12	40.00	12	40.00	11	36.66	9	30.30	7	23.33	6	15.79
Quarry Spur	60	33	100	28	84.55	22	66.66	17	51.51	13	39.70	13	39.70	12	36.36	10	30.30	8	24.24	7	21.21
Sartells	68	35	100	30	85.71	23	65.71	18	51.43	14	40.00	14	40.00	12	34.28	11	31.43	8	22.86	7	20.00
Rices	79	37	100	31	83.78	24	64.86	19	51.35	15	40.54	15	40.54	13	35.14	11	29.72	9	24.32	7	18.92
Gregory	91	40	100	34	85.00	26	65.00	20	50.00	16	40.00	16	40.00	14	35.00	12	30.00	10	25.00	8	20.00
Scott's Spur	99	41	100	35	85.36	27	68.29	21	51.22	16	39.02	16	39.02	14	34.14	12	27.80	10	24.39	8	19.51
Swanville	112	43	100	37	86.05	28	65.12	22	51.16	17	39.53	17	39.53	15	34.88	13	30.23	10	23.25	9	20.93
Grey Eagle	121	43	100	37	86.05	28	65.12	22	51.16	17	39.53	17	39.53	15	34.88	13	30.23	10	23.25	9	20.93
Sauk Centre	132	43	100	37	86.05	28	65.12	22	51.16	17	39.53	17	39.53	15	34.88	13	30.23	10	23.25	9	20.93
Stiles	138	44	100	37	84.09	29	65.90	22	50.00	18	40.90	18	40.90	15	34.09	13	29.55	11	25.00	9	20.45
Villard	148	46	100	39	84.78	30	65.22	23	50.00	18	39.13	18	39.13	16	34.78	14	30.43	11	23.91	9	19.56
Starbuck	164	48	100	41	85.42	32	66.66	24	50.00	19	39.58	19	39.58	17	35.83	14	29.17	12	25.00	10	20.83
Cyrus	174	49	100	42	85.71	32	65.30	25	51.02	20	40.82	20	40.82	17	34.69	15	30.61	12	24.49	10	20.41
Morris	182	50	100	43	86.00	33	66.00	25	50.00	20	40.00	20	40.00	18	36.00	15	30.00	12	24.00	10	20.00
Wright	189	53	100	45	84.91	35	66.04	27	50.94	21	39.62	21	39.62	19	35.85	16	30.19	13	24.53	11	20.75
Corona	201	53	100	45	84.91	35	66.04	27	50.94	21	39.62	21	39.62	19	35.85	16	30.19	13	24.53	11	20.75

DEFENDANTS' EXHIBIT 3-G. STAPLES.

Statement showing number of Cars Weighed at Minneapolis, and average number of Pounds per Car of Wheat, Oats, Corn, Rye, Barley and Flax, for the years ending August 31st, 1890, 1893, 1894, 1896 to 1908, inclusive.

Year	No. of Cars	Wheat	No. of Cars	Oats	No. of Cars	Corn	No. of Cars	Rye	No. of Cars	Barley	No. of Cars	Flax
1890	99,602	34,920	3,309	31,584	10,473	36,232	126	31,136	551	31,920	1,122	30,408
1893	155,179	39,480	5,100	33,088	3,741	39,816	842	39,760	5,175	35,760	1,937	33,936
1894	124,524	38,940	3,738	32,416	9,705	36,904	563	35,616	3,622	34,608	4,262	34,272
1896	163,365	41,640	10,088	38,016	2,910	37,128	1,302	37,912	1,451	38,830	5,423	36,344
1897	179,592	42,360	13,893	36,480	2,045	37,072	1,366	38,696	1,413	37,008	3,071	37,408
1898	190,818	43,260	18,057	35,744	9,935	41,552	1,399	38,472	1,419	34,944	5,506	38,976
1899	156,199	46,380	17,281	39,840	12,113	46,032	1,671	42,336	2,254	42,000	7,115	43,232
1900	178,462	48,420	8,507	41,152	5,697	57,904	1,143	42,112	3,974	42,672	9,615	46,312
1901	181,368	50,160	11,835	42,784	10,696	49,224	1,391	43,568	5,452	43,488	19,050	38,360
1902	173,189	52,920	8,308	42,816	6,418	48,440	2,066	44,744	7,326	44,928	17,586	44,296
1903	150,575	55,440	20,212	45,600	3,628	51,352	2,352	46,480	16,129	47,376	17,169	50,456
1904	147,440	55,680	29,731	45,728	5,345	53,256	3,165	45,976	21,543	49,152	14,782	51,744
1905	180,398	55,500	27,110	48,288	7,859	54,432	3,553	46,536	21,607	50,304	12,172	50,568
1906	155,504	59,280	32,552	51,840	5,350	54,152	3,566	50,176	22,035	53,856	20,257	58,296
1907	142,965	62,760	22,439	51,648	7,409	58,128	4,118	51,576	16,454	54,576	15,314	57,680
1908	114,874	65,820	24,354	49,920	5,443	59,080	4,071	54,376	29,500	58,704	15,064	60,592

DEFENDANTS' EXHIBIT 3-H. STAPLES.

Statement showing number of Cars Weighed at Duluth and average number of Pounds per Car of Wheat, Corn, Oats, Rye, Barley and Flax, for the years ending August 31st, 1896 to 1908, inclusive.

Year	No. of Cars	Wheat	No. of Cars	Corn	No. of Cars	Oats	No. of Cars	Rye	No. of Cars	Barley	No. of Cars	Flax
1895-6	98,181	40,196	421	35,722	3,207	38,858	1,623	36,637	5,555	39,570	9,653	35,370
1896-7	65,402	41,979	682	39,878	6,679	37,067	2,968	39,644	9,068	37,752	10,882	38,374
1897-8	65,976	43,415	6,317	30,146	3,978	40,177	2,829	37,579	3,838	37,232	6,350	40,896
1898-9	99,661	48,940	8,897	53,736	2,107	46,079	2,343	40,967	3,768	43,492	9,272	44,515
1899-0	64,127	51,329	3,770	48,374	778	42,142	923	43,665	3,305	45,956	10,695	47,274
1900-1	28,004	50,857	7,390	48,642	1,335	44,915	1,233	43,904	2,597	46,822	8,861	45,580
1901-2	58,593	55,214	194	49,334	787	41,756	775	46,348	2,974	48,610	17,301	52,142
1902-3	42,975	57,905	72	49,241	2,475	43,554	1,256	39,759	6,408	50,077	22,458	55,634
1903-4	34,727	57,377	78	53,314	3,675	48,233	1,188	46,568	6,382	52,012	21,255	57,349
1904-5	29,986	57,742	194	55,863	6,986	50,695	1,057	47,182	8,302	50,335	13,257	58,849
1905-6	21,079	61,100	88	51,987	3,033	52,222	279	50,934	1,165	55,775	10,317	64,712
1906-7	23,441	68,530	100	58,046	2,053	51,596	467	56,931	403	53,465	9,738	67,290
1907-8	22,518	71,646	72	61,494	1,227	51,138	190	58,482	376	59,155	9,444	69,684

DEFENDANTS' EXHIBIT 3-I. STAPLES.

NORTHERN PACIFIC RAILWAY

Tonnage and Density statement taken from reports to Railroad Commission.

Year	Loaded car miles	Empty car miles	Total car miles	Tons one mile	Freight and mixed train miles	Average tons per train	Loaded cars per train	Empty cars per train	Total cars per train	Tons per loaded car	Average tons per car, loaded & empty
1899	34,415,608	12,028,993	46,444,601	465,120,423	1,377,427	337.67	24.99	8.73	33.72	13.52	10.01
1900	35,864,108	10,742,819	46,606,927	508,737,114	1,280,311	397.35	28.01	8.39	36.40	14.19	10.92
1902	53,223,328	18,875,730	72,099,058	883,372,276	2,078,338	503.21	30.32	10.75	41.07	16.60	12.25
1901	39,909,478	14,199,657	54,109,135	565,058,589	1,530,604	369.17	26.07	9.28	35.35	14.16	10.44
1903	56,065,707	20,853,969	76,919,676	948,271,299	2,264,223	418.80	24.76	9.21	33.97	16.91	12.33
1904	54,576,201	20,091,936	74,668,137	885,389,740	2,245,855	394.23	24.30	8.95	33.25	16.22	11.86
1905	57,610,447	20,425,253	78,035,700	946,756,582	2,272,420	416.63	25.35	8.99	34.34	16.43	12.13
1906	64,653,298	20,895,251	85,548,549	1,133,376,343	2,528,586	448.23	25.57	8.26	33.83	17.53	13.25
1907	60,250,889	19,392,296	88,643,185	1,229,128,795	2,650,993	463.65	26.12	7.32	33.44	17.75	13.87
1908	59,041,533	17,824,019	76,865,552	1,091,290,482	2,191,874	497.88	26.94	8.13	35.07	18.48	14.20

DEFENDANTS' EX

Statement showing distance, rates, minimum weights and r

St. Paul and Crookston, Duluth and Pipestone, St. Paul an

Between St. Paul and Crookston 291 Miles	Minimum Weights	Revenue at Minimum	Value of Car	Between Duluth and Pipestone 304 Miles	Minimum Weights	Revenue at Minimum	Value of Car
Wheat	48,000	$52.80	$870.00	Wheat	45,000	$65.25	$817.50
Flax	48,000	52.80	1,370.00	Flax	45,000	76.50	1,386.00
Oats	42,000	46.20	643.00	Oats	48,000	62.40	735.00
Corn	48,000	52.80	496.00	Corn	45,000	58.50	496.00
Rye	48,000	52.80	617.00	Rye	45,000	58.50	679.00
Flour	48,000	52.80	1,321.00	Flour	45,000	65.25	1,192.50
Lumber	30,000	46.50	264.00	Lumber	30,000	54.00	264.00
Cattle	22,000	44.00	990.00	Cattle	22,000	53.90	990.00
Hogs	22,000	55.00	1,383.00	Hogs	22,000	51.70	1,383.00
Sheep	22,000	44.00	1,320.00	Sheep	22,000	55.00	1,320.00
Hard coal	50,000	32.50	212.50	Hard coal	50,000	36.25	212.50
Soft coal	50,000	50.00	87.50	Soft coal	50,000	50.00	87.50
Brick	30,000	55.00 Car. 106.25 Pressed av. 250.00		Brick	28,000	41.30 Car. 80.75 Pressed av. 193.75	
Cement	38,000	66.20	120.00	Cement	38,000	49.40	120.00
Lime	24,000	25.52	127.50	Lime	24,000	34.80	127.50
Sewer Pipe	26,000	28.48	128.00	Sewer pipe	26,000	37.44	128.00
Salt	30,000	44.40	97.00	Salt	27,500	27.50	121.00
Sugar	30,000	70.80	1,275.00	Sugar	33,000	80.10	1,512.00

DEFENDANTS' EXHIBIT 3-J. STAPLES.

inimum weights and revenue at minimum weights on various commodities between Pipestone, St. Paul and Chicago, and St. Paul and Bismarck, also value per car.

Revenue at Minimum	Value of Car	Between St. Paul and Chicago 401 Miles	Minimum Weights	Revenue at Minimum	Value of Car	Between St. Paul and Bismarck 443 Miles	Minimum Weights	Revenue at Minimum	Value of Car
$65.25	$817.50	Wheat.....	43,000	$43.00	$780.00	Wheat.....	48,000	$76.80	$870.00
76.50	1,286.00	Flax.....	43,000	32.25	1,228.00	Flax.....	48,000	76.80	1,370.00
62.40	735.00	Oats.....	38,000	28.50	552.00	Oats.....	42,000	67.20	643.00
58.50	466.00	Corn.....	43,000	32.25	445.00	Corn.....	48,000	76.80	496.00
58.50	579.00	Rye.....	43,000	32.25	563.00	Rye.....	48,000	76.80	617.00
65.25	1,182.50	Flour.....	43,000	43.00	1,150.00	Flour.....	48,000	76.80	1,321.00
54.00	264.00	Lumber.....	30,000	42.00	264.00	Lumber.....	30,000	84.00	264.00
52.80	990.00	Cattle.....	22,000	44.00	990.00	Cattle.....	22,000	52.80	990.00
51.70	1,353.00	Hogs.....	22,000	36.50	1,353.00	Hogs.....	22,000	67.10	1,353.00
55.00	1,320.00	Sheep.....	22,000	55.00	1,320.00	Sheep.....	22,000	52.80	1,320.00
56.25	212.50	Hard coal....	50,000	40.00	212.50	Hard coal....	50,000	75.00	212.50
50.00	87.50	Soft coal.....	50,000	28.00	87.50	Soft coal.....	50,000	75.00	87.50
41.80 C.av.	80.75	Brick.....	50,000	50.00 C.av.	106.25	Brick.....	50,000	65.00 C.av.	106.25
Pressed av.	193.75			Pressed av.	280.00			Pressed av.	250.00
49.40	120.00	Cement.....	38,000	24.00	120.00	Cement.....	38,000	95.00	120.00
34.80	127.50	Lime.....	24,000	30.00	127.50	Lime.....	24,000	60.00	127.50
27.44	138.00	Sewer pipe...	26,000	33.80	138.00	Sewer pipe...	26,000	52.00	138.00
37.50	121.00	Salt.....	37,500	41.25	121.00	Salt.....	30,000	75.00	97.00
89.10	1,512.00	Sugar.....	36,000	72.00	1,650.00	Sugar.....	30,000	117.60	1,375.00

DEFENDANTS' EXHIBIT 3-K. STA

TONNAGE STATEMENT TAKEN FROM ANNUAL REPORTS OF RAIL

For Year Ending June 30, 1907.

Showing Freight Originating on the Respective Roads in Minnesota and Freight Received

	C. & N. W. Ry.		C. G. W. Ry.		C. R. I. & P. Ry.		C. St. P. M. & O. Ry.		M. & St.
	Tons	Percent	Tons	Percent	Tons	Percent	Tons	Percent	Tons
Grain	304,268	38.57	244,046	17.54	232,171	21.06	955,782	28.90	404,627
Total Products of Agriculture	412,332	+52.27	455,257	+32.62	394,250	+35.76	1,446,077	+43.46	735,210
Live Stock	61,825	7.84	83,203	5.98	35,612	3.23	106,162	3.28	33,395
Total Products of Animals	71,960	+9.12	234,307	+16.84	42,127	+3.81	183,231	+5.55	69,164
Hard Coal	6,544	.83	29,358	2.11	12,663	1.18	21,190	.64	24,232
Soft Coal	47,456	6.02	209,123	15.03	129,300	11.72	171,750	5.20	266,058
Total Products of Mines	110,530	+14.02	258,099	+18.55	158,063	+14.34	394,105	+8.89	215,492
Lumber	36,778	4.66	83,065	5.97	169,434	15.37	474,226	14.37	195,434
Total Forest Products	55,738	+7.06	116,575	+8.40	169,434	+15.37	605,175	+18.33	239,066
Miscellaneous and Merchandise	138,269	+17.53	326,831	+23.50	338,667	+30.72	770,426	+23.77	530,939
Combined Percentages marked + make 100%.									

Red ink figures are for the entire line.

...R. STAPLES.

...OF RAILWAY COMPANIES TO THE COMMISSION.

... 30, 1907.

... Received from Connecting Road and other Carriers in Minnesota.

M. & St. L. Ry.		N. P. Ry.		Soo Line		C. M. & St. P. Ry.		G. N. Ry.	
Tons	Percent	Tons	Percent	Tons	Percent	Tons	Percent	Tons	Percent
404,627	21.66	1,582,633	21.52	1,127,521	35.60	4,196,776	14.77	2,795,673	15.35
735,210	+39.26	2,006,844	+27.27	1,467,086	+46.95	6,470,915	+22.63	3,965,291	+21.79
33,895	1.81	155,614	2.12	43,613	1.37	1,143,862	4.02	191,889	1.05
69,164	3.70	238,326	3.11	96,294	+3.04	1,776,251	+6.20	222,438	+1.21
24,232	1.30	313,887	4.27	34,607	1.09	892,416	3.12	366,127	2.01
263,068	14.06	780,782	10.62	180,936	5.71	3,001,088	10.49	1,038,424	5.70
313,492	+16.75	1,462,261	+20.16	248,645	+7.85	8,512,230	+29.77	9,435,103	+31.75
195,434	10.45	1,237,212	16.83	618,797	19.53	2,171,063	7.59	1,460,907	8.02
329,096	+12.20	1,981,683	+26.95	631,638	+19.94	3,794,148	+13.27	2,699,324	+14.80
530,939	+27.90	1,664,772	+22.31	705,922	+22.22	8,042,497	+28.13	1,903,350	+10.47

DEFENDANTS' EXHIBIT 3-L. HILLMAN.

NORTHERN PACIFIC RAILWAY

Statement of Earnings and Income, Operating Expenses and Taxes 1906-7, on Basis of 12.33%, being Intrastate Business as shown by Johnson's Exhibit 54.

FREIGHT			
Freight earnings table 8	$2,141,733.28		
Table 5 shows that 14.83% of tonnage was intrastate.			
Johnson's Exhibit shows 12.33% of tonnage was intrastate.			
12.33 divided by 14.83 = 83.13%.			
83.13% of freight earnings shown above		$1,760,422.88	
83.13% of deductions as per table 16 ($89,916.07) =		74,747.23	
Gross earnings, Johnson's Exhibit		$1,685,675.65	
Operating % freight, table 16, 57.631%	$982,998.03		
Taxes, 4%	67,427.03	$1,050,425.06	
Net earnings, freight			$635,250.59
PASSENGER			
Earnings as per table 16, (no change)		$1,139,610.40	
Operating expenses	$671,200.12		
Taxes, 4%	45,584.42	716,784.54	
Net earnings			422,825.86
MISCELLANEOUS			
Earnings as per table 14	$69,434.02		
89.24% (%earnings as above show of total on 16)		$61,962.92	
Taxes, 4%		2,478.52	
Net earnings, miscellaneous			59,384.40
Total net earnings			$1,117,460.85
INCOME			
From other sources, table 16	$107,895.65		
87.525% (earnings above to earning table 16)			94,435.67
Total revenue and income applicable to dividends and interest, Johnson's division			$1,211,896.52

CHARTS

TOO
LARGE
FOR
FILMING

TABLE No. 2

NORTHERN PACIFIC RAILWAY.

Operating Expenses for Divisions Over-lapping from Minnesota, taken from Books of the Northern Pacific Railway Company, for the Fiscal Year ended June 30, 1907.

	Heads of Accounts	Lake Superior Division 1906–1907				Minnesota Division	
		Main Line Wisconsin		Branch Line Wisconsin		Branch Line Dakota	
		Freight	Passenger	Freight	Passenger	Freight	Passenger
2.	Station agents, clerks and laborers	$27,598.92	$4,445.99	$1,836.06	$815.00	$13,472.04	$13,487.57
3.	Station supplies	1,312.57	453.00	148.13	38.17	1,707.74	1,271.50
4.	Station furniture	132.98	62.43	16.70	7.59	156.29	192.08
5.	Switchmen and watchmen	11,090.11	1,628.14			268.83	278.78
6.	Switching	4,190.06		392.00		1,212.00	
8.	Telegraph expenses	5,340.73	5,313.92	1,181.52	523.55	6,166.09	6,461.20
9.	Proportion of operating expenses of terminals	35,446.44	6,366.78				
11.	Freight conductors	5,567.47		1,326.66		7,343.70	
12.	Passenger conductors		4,163.84		524.73		4,520.32
13.	Freight brakemen	8,460.62		1,152.90		9,906.78	
14.	Passenger brakemen		1,869.89		370.88		2,913.92
15.	Passenger baggage men		975.00				677.03
16.	Freight train supplies and expenses	1,377.45		42.86		816.18	
17.	Passenger train supplies and expenses		261.24		22.98		501.91
18.	Heating and lighting cars	129.80	942.44	4.83	101.73	15.96	881.67
19.	Oiling cars	496.40	170.24	12.75	12.99	299.63	171.31
20.	Cleaning passenger cars		1,214.86		238.72		1,214.55
21.	Engineers and firemen	35,942.44	7,383.15	1,820.54	739.75	12,836.91	10,139.75
22.	Engine dispatchers, wipers and roundhouse laborers	8,824.98	2,545.93	685.02	254.20	2,517.19	1,957.72
23.	Fuel for locomotives	58,534.63	13,821.23	3,035.56	1,233.68	22,673.26	18,575.92
24.	Oil, tallow and waste for locomotives	1,799.43	559.19	53.20	15.21	387.07	350.92
25.	Other locomotive supplies	1,115.64	31.77	54.84	24.96	227.73	169.36
26.	Water supply	2,100.79	2,181.82	294.59	130.58	884.61	904.51
27.	Damage and loss of freight	2,059.20		93.18		2,406.47	
28.	Damage and loss of baggage		5.16		30.04		

29. Damage to property	205.93	132.05	5.54	17.33	143.87	428.19
30. Stock killed or injured	274.30	295.80	8.68	3.84	78.17	66.28
31. Personal injury	9,414.63	1,956.46	240.64	107.85	1,825.77	437.44
32. Wrecking	596.30	117.45	15.59		1,762.06	103.30
33. Car mileage, balance	12,194.27	* 852.83	1,654.37	* 51.24	10,614.15	* 769.75
34. Hire of equipment	378.61	41.25	52.04	2.44	339.38	36.37
35. Superintendence	2,867.43	2,947.75	422.35	185.49	2,991.56	3,089.44
38. Other expenses	* .52	5.28	* .12	7.46	94.53	11.31
Total	$237,451.66	$59,325.18	$14,550.43	$5,357.85	$101,237.97	$68,071.60
44. Repairs of passenger cars		$4,655.40		$328.23		$4,375.44
45. " " freight cars	$19,038.10		$104.06		$9,029.28	
46. " " work cars	213.52	237.01	15.91	7.09	176.62	184.97
47. " " locomotives	35,291.32	12,834.39	910.33	425.72	7,755.28	5,959.02
49. Other equipment expenses	160.35	164.45	64.32	28.73	150.43	214.73
50. Supervision of equipment	1,556.35	1,619.06	375.66	164.88	692.27	712.13
Total	$56,259.64	$19,510.31	$1,670.28	$954.65	$17,803.88	$11,446.29
56. Removal of snow and ice	$2,838.25	$3,007.81	$1,783.51	$835.16	$9,678.34	$12,372.50
57. Repairs of roadway and track	20,315.50	21,106.77	8,270.24	3,625.97	29,030.88	29,871.54
60. " " bridges and culverts	8,184.95	8,641.22	1,227.09	536.51	3,030.18	3,162.90
61. Cattle guards, road crossings and track signs	434.71	406.34	54.78	24.27	568.38	570.16
62. Renewals of rails	58.73	59.71	* 136.19	* 58.36	* 239.61	* 267.33
63. " " ties	7,059.12	7,257.68	6,698.68	2,874.66	15,065.59	16,614.00
64. " " fastenings	611.69	636.62	170.99	76.42	1,883.50	1,930.41
65. " " frogs, switches and misc. track material	2,769.70	2,932.15	323.87	147.88	227.69	2,232.60
67. Repairs of fences	13.98	13.20	22.00	9.68	394.45	380.34
68. " " snow fences and snow sheds					568.79	580.50
69. " " buildings	1,394.65	1,062.53	1,310.00	593.23	4,451.40	2,908.22
70. " " of water supply	229.24	243.55	82.36	35.82	528.22	525.71
72. " " telegraph	366.00	369.91	240.71	106.56	638.06	672.64
73. " " shop tools and machinery	1,165.35	1,189.65	49.36	21.47	309.78	325.82
Total	$45,441.87	$46,927.14	$20,097.40	$8,829.27	$66,135.66	$69,880.01
80. Traffic department expenses	$1,265.87	$940.59	$173.06	$55.07	$1,128.77	$844.15
81. Outside agencies	2,354.10	3,282.80	322.59	191.73	2,103.32	2,942.85

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DEFENDANTS' EXHIBIT 8-M. HILLMAN.—*Cont.*

	HEADS OF ACCOUNTS	LAKE SUPERIOR DIVISION 1906–1907				MINNESOTA DIVISION	
		MAIN LINE WISCONSIN		BRANCH LINE WISCONSIN		BRANCH LINE DAKOTA	
		Freight	Passenger	Freight	Passenger	Freight	Passenger
82.	Advertising	$32.52	$1,656.37	$4.65	$98.90	$29.18	$1,467.98
83.	Salaries and expenses of general officers	1,314.22	1,373.14	182.72	81.64	1,187.17	1,233.82
84.	Salaries of clerks	2,498.43	1,864.38	347.13	112.02	2,229.17	1,675.43
85.	General office expenses	372.62	352.15	52.68	21.35	330.16	317.48
86.	Legal expenses	1,202.33	1,220.27	158.38	67.74	564.41	541.93
87.	Rents of buildings, tracks, yards and terminals	5,832.11	450.08			2.46	2.54
88.	Insurance	936.34	969.24	129.76	57.44	848.52	869.88
89.	Stationery and printing "A"	1,075.54	769.25	105.27	40.16	648.35	633.41
90.	" " " "B"	25.47	21.47	3.56	1.31	23.71	19.70
91.	" " " "C"	30.53	31.88	4.45	1.99	27.75	28.62
92.	" " " "D"	288.86	214.71	40.29	12.53	263.48	192.70
93.	" " " "E"	269.81	278.14	36.43	16.13	234.55	248.04
94.	New York office	782.68	821.80	105.11	46.72	665.58	730.46
75.	Miscellaneous	261.38	229.52	36.36	13.99	267.69	226.51
	Total	$18,542.81	$14,475.58	$1,702.44	$810.72	$10,547.27	$11,975.49
	Total operating expenses	$357,695.98	$140,238.21	$38,020.55	$15,960.49	$195,724.78	$161,373.39

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DEFENDANTS' EXHIBIT 3-M. HILLMAN.—*Cont.*

TABLE NO. 5

NORTHERN PACIFIC RAILWAY

Freight Movements (Tons and Ton Miles) Through Trains, Local Trains and all Trains.—Carloads, less than Carloads and Total Compiled from Agents Abstracts, April and October, 1907.

	Tons		Ton Miles					
	All Trains		Through Trains		Local Trains		All Trains	
	Inter	Intra	Inter	Intra	Inter	Intra	Inter	Intra
Carloads	1,054,837	286,681	159,050,710	15,507,897	44,954,383	17,663,649	204,005,093	33,171,546
Less than carloads	72,668	44,074	12,547,243	1,530,004	516,550	3,085,624	13,063,793	4,615,628
Total	1,127,405	330,755	171,597,953	17,037,901	45,470,933	20,749,273	217,068,886	37,787,174

DEFENDANTS' EXHIBIT 3-M. HILLMAN.—*Cont.*

TABLE NO. 6

NORTHERN PACIFIC RAILWAY

Statement showing Process of Determining.

In Division C, Relative Cost of Local and Through Trains.

In Division D, Relative Cost of Inter and Intra on Trains.

DIVISION A.

Summary of Freight Movement Main Lines, as shown by Train Sheets, April and October, 1907.

	Through			Local		
	Net Ton Miles	Dead Ton Miles	Total Ton Miles	Net Ton Miles	Dead Ton Miles	Total Ton Miles
St. Paul division	60,243,245	57,035,712	117,278,957	16,082,357	16,369,376	32,451,733
Lake Superior Division, District No. 2	87,182,628	52,467,953	139,650,581	12,115,045	8,854,735	20,969,780
Lake Superior Division, District No. 3	51,402,177	37,363,538	88,765,715	7,919,403	7,140,368	15,059,771
Minnesota Division	62,094,670	52,615,680	114,710,350	8,434,286	6,794,577	15,228,863
Total	260,992,720	199,482,883	460,405,603	44,851,091	39,159,056	83,710,147
Per cent of total	85.41	83.59	84.62	14.59	16.41	15.38

DIVISION B.

Ton Miles from N. P. Ry. Tonnage Movement Sheets to show Relative Movement Main Line and Branches, Year 1906-7.

	Ton Miles		
	Total	Main Line	Branches
Ton miles, year 1906-7	1,596,186,389	1,472,681,186	123,505,203
Operating accts. 10/27 (showing direct train movement costs) as per tables 1 and 2, taken from N. P. books all allocated	$2,219,735.61	$1,955,189.99	$264,545.62
Divide tons into cost gives relative cost direct train movement	.13906c.	.13277c.	.21420c.

DIVISION C.

Determining costs. Through and Local. Total main line ton miles div. B	$1,472,681,186		
Of which 14.59% moved local. See Div. A	214,864,186		
Balance—movement on through tons	$1,257,817,000		
Cost train movement main line, see Division B		$1,955,189.99	
All business branch lines is local, take cost per ton mile on branch as shown in Division B., .2142c. and apply local main line tons, 214,864,186 gives cost of		460,239.08	
Leaving balance for through trains, main lines, of ton miles	1,257,817,000		
At a cost of		1,494,950.91	
Or per ton mile of			.1189c.

Divide .1189 through cost into .2142 local cost = 1.80, or local train work costs 80% more than through same ton efficiency.

DIVISION D.

Determining Inter and Intra relative costs, table 5 shows,

Intra ton miles on through train,	17,037,901 x 1.00	(relative cost through)	$17,037,901.00
" " " " local "	20,749,273 x 1.80	(" " local)	37,348,691.40
Total Intra ton miles	37,787,174 x 1.4393	(Intra cost all)	$54,386,592.40
Inter ton miles on through trains	171,597,953 x 1.00		171,597,953.00
" " " " local "	45,470,933 x 1.80		81,847,679.40
Total Inter ton miles,	217,068,886 x 1.1676	(inter cost all)	$253,445,632.40

Divide 1.1676 cost inter into 1.4393 cost intra = 1.2327, or intra train work costs 23.27% more than inter.

TABLE NO. 7.

NORTHERN PACIFIC RAILWAY.

DIVISION FREIGHT OPERATING EXPENSES INTO:

A. TOTAL FREIGHT.
B. INTER AND INTRA.

	HEADS OF ACCOUNTS	A. Freight	B. Inter	B. Intra
2.	Station agents clerks and laborers	$445,296.98	$276,694.47	$168,602.51
3.	Station supplies	33,931.12	21,083.78	12,847.34
4.	Station furniture	2,604.65	1,618.45	986.20
5.	Switchmen and watchmen	397,201.20	287,653.11	109,548.09
6.	Switching $40,338.19 out			
8.	Telegraph expenses	112,464.76	89,129.21	23,335.55
9.	Proportion of operating expenses of terminals	115,519.13	98,168.93	17,350.20
10.	Operation of leased lines	506.35	416.90	89.45
11.	Freight conductors	135,146.67	111,271.66	23,875.01
13.	Freight brakeman	195,413.44	160,891.70	34,521.74
16.	Freight train supplies and expenses	29,700.44	24,453.56	5,246.88
18.	Heating and lighting cars	2,658.18	2,188.59	469.59
19.	Oiling cars	13,801.53	11,363.35	2,438.18
21.	Engineers and firemen	449,846.20	370,376.37	79,469.83
22.	Engine dispatchers, wipers and roundhouse laborers	111,002.27	91,392.51	19,609.76
23.	Fuel for locomotives	941,599.06	775,256.17	166,342.89
24.	Oil, tallow and waste for locomotives	15,207.71	12,521.12	2,686.59
25.	Other locomotives supplies	10,463.79	8,615.26	1,848.53
26.	Water supply	21,021.02	17,307.45	3,713.57
27.	Damage and loss of freight	97,977.68	80,668.94	17,308.74
29.	Damage to property	4,907.98	4,180.32	727.66
30.	Stock killed or injured	2,874.60	2,448.40	426.20
31.	Personal injury	102,794.12	87,553.86	15,240.26
32.	Wrecking	23,029.04	19,614.75	3,414.29
33.	Car mileage—balance	215,487.49	176,354.96	39,132.53
34.	Hire of equipment	7,058.47	5,811.52	1,246.95
35.	Superintendence	64,303.63	50,465.49	13,838.14
38.	Other expenses	3,363.15	2,639.40	723.75
39.	Stationery and printing "A"	15,709.63	12,328.92	3,380.71
	Total conducting transportation	$3,570,890.38	$2,802,469.24	$768,421.14
45.	Repairs of freight cars	$558,530.04	$457,100.98	$101,429.06
46.	" " work cars	51,958.49	42,948.89	9,009.60
47.	" " locomotives	312,764.94	257,962.76	54,802.18
49.	Other equipment expenses	1,717.14	1,409.77	307.37
50.	Supervision of equipment	26,445.72	21,711.94	4,733.78
51.	Stationery and printing, "B"	596.55	489.77	106.78
	Total maintenance of equipment	$952,012.88	$781,624.11	$170,388.77

56.	Removal of snow and ice	$65,885.92	$55,180.58	$10,705.34
57.	Repairs of roadway and track	432,378.66	362,125.78	70,252.88
59.	" " cribbing and bulkheading	35.61	35.61	
60.	Repairs of bridges and culverts	71,713.16	60,061.21	11,651.95
61.	Cattle guards, road crossings and track signs	24,688.25	20,676.90	4,011.35
62.	Renewals of rails	57,456.59	48,121.04	9,335.55
63.	" " ties	99,895.47	83,664.45	16,231.02
64.	" " fastenings	54,597.36	45,726.38	8,870.98
65.	" " frogs, switches and misc. track material	110,669.84	92,688.20	17,981.64
66.	Maintenance of leased lines	619.90	527.99	91.91
67.	Repairs of fences	7,475.21	6,260.64	1,214.57
68.	" " snow fences and snow sheds	5,575.18	4,669.32	905.86
69.	" buildings	103,445.49	82,704.67	20,740.82
70.	" " water supply	10,630.15	8,752.23	1,877.92
71.	" " docks, wharves, landings and inclines	45,179.59	27,107.75	18,071.84
72.	" " telegraph	8,441.48	7,069.91	1,371.57
73.	" " shop tools and machinery	27,464.49	22,548.35	4,916.14
74.	Stationery and printing "C"	722.25	597.01	125.24
	Total maintenance of road and structures	$1,126,874.60	$928,518.02	$198,356.58
80.	Traffic department expenses	$23,264.43	$19,815.25	$3,449.18
81.	Outside agencies	39,120.65	35,208.59	3,912.06
82.	Advertising	763.71		763.71
	Total traffic expenses	$63,148.79	$55,023.84	$8,124.95
83.	Salaries and expenses of general officers	$31,956.94	$25,549.57	$6,407.37
84.	Salaries of clerks	51,613.85	41,265.27	10,348.58
85.	General office expenses	8,404.49	6,719.39	1,685.10
86.	Legal expenses	17,305.61	13,835.84	3,469.77
87.	Rents of buildings, tracks, yards and terminals	16,802.66	13,433.73	3,368.93
88.	Insurance	21,448.05	17,147.72	4,300.33
92.	Stationery and printing "D" and "E"	12,587.29	10,063.54	2,523.75
94.	New York office	18,703.97	14,953.82	3,750.15
95.	Miscellaneous	6,710.55	5,365.08	1,345.47
	Total general office expenses	$185,533.41	$148,333.96	$37,199.45
	Total operating expenses	$5,898,460.06	$4,715,969.17	$1,182,490.89

DEFENDANTS' EXHIBIT 3-M. HILLMAN.—*Cont.*

NORTHERN PACIFIC RAILWAY.

TABLE No. 8.

A. Freight earnings Intrastate Year 1906-7.
B. Freight earnings total State and Interstate Year 1906-7
C. Freight earnings total Interstate Year 1906-7.

A.	N. P. Ry. Straight way-billing so reported by the N. P. Ry. Co.,	$1,704,717.07
	Interline way-billing	387,443.17
		$2,092,160.24
	Deduct % of deductions that Intra receipts show to total $2,880,198.92 total (so reported by N. P. Ry.) $2,092,160.24 −72.64% of $22,914.72	16,645.25
		$2,075,514.99
	Total switching as shown by page 35, N. P. report to state, 1907, $225,343.40, allow Intra carload % of this (Table 5) 27.967%	63,021.79
	Total storage and demurrage as shown by page 35 N. P. report to state, 1907, $21,560.12, allow Intra ton mile % (Table 5) 14.83%	3,196.50
	Total Intra earnings	$2,141,733.28
B.	Total freight earnings, page 35, N. P. report to state, 1907	$10,560,639.41
	Total switching earnings, page 35, N. P. report to state, 1907	225,323.40
	Total St. Louis bridge tolls, p. 35, N. P. report to state, 1907	14,431.55
		$10,800,394.36
	Less Intra earnings as above	2,141,733.28
C.	Total Inter earnings (balance)	$8,658,661.08

DEFENDANTS' EXHIBIT 3-M. HILLMAN.—*Cont.*

TABLE No. 9.

NORTHERN PACIFIC RAILWAY.

FINAL RELATION OF INTER AND INTRA-STATE.

A. Freight tonnages and expenses, Inter, Intra and Total.
B. Earnings and operating expenses, Intra, Inter and Total.

	Inter Ton miles	Intra Ton miles	Total Ton miles	Inter Expenses	Intra Expenses	Total Expenses
A. Table No. 5, shows	217,068,886	37,787,174	254,856,060			
Table No. 7, shows				$4,715,969.17	$1,182,490.89	$5,898,460.06
Dividing ton miles into expenses gives relative cost of				2,170.00	3,122.92	2,314.43
It therefore cost 34.93 more than all business to conduct intra-state business. (3.12292÷2.31442=1.3493)				93.76%	134.93%	100.%
Also the cost of inter-state business is 6.24% less than the cost of all business. (2.17000÷2.31443=93.76)						
It also shows that it costs 43.91% more to conduct Intra-state business than Inter-state business for same ton mile efficiency. (3.12292÷2.17000=143.91)						
B. Intra freight earnings, table No. 8				2,141,733.28		
Intra freight expenses, table No. 7				1,182,490.89		
Intra freight net earnings				$959,242.39		
Intra freight operating percent				55.21		
Inter freight earnings, table No. 8				8,658,661.08		
Inter freight expenses, table No. 7				4,715,969.17		
Inter freight net earnings				$3,942,691.91		
Inter freight operating percent				54.47		
Total freight earnings, table No. 8				10,800,394.36		
Total freight expenses, table No. 7				5,898,460.06		
Total freight net earnings				$4,901,934.30		
Total freight operating expense				54.61		

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DEFENDANTS' EXHIBIT 3-M. HILLMAN.—*Cont.*

TABLE NO. 10

NORTHERN PACIFIC RAILWAY

Passengers and Passenger Miles, Inter, Intra, Total.
Average Haul, " " "
Average Receipts per Passenger Mile, Inter, Intra, Total.
State of Minnesota, Years 1901-1908, both inclusive.

	Passengers Minnesota		Passengers One Mile Minnesota		Passenger Earnings Minnesota		Total Passengers Minnesota	Total Passenger Miles Minnesota	Total Passenger Earnings Minnesota
	Inter	Intra	Inter	Intra	Inter	Intra			
1901	304,652	900,734	40,656,782	33,995,500	$843,710.69	$781,679.63	1,205,386	74,652,322	$1,625,390.32
Average Haul			133.4	37.7				61.9	
Average Receipts per passenger mile					2.0752c	2.2994c			
1902	419,464	1,035,250	58,082,800	38,885,493	$1,195,634.49	$896,920.30	1,454,714	96,968,293	2.1773c $2,092,554.83
Average haul			138.5	37.5				66.6	
Average cents per mile					2.0585c	2.3065c			2.1579c
1903	470,239	1,172,600	66,481,520	42,194,063	$1,338,334.10	$991,295.91	1,642,839	108,675,583	$2,329,630.01
Average haul			141.4	35.9				66.1	
Average cents per mile					2.0131c	2.3493c			2.1436c
1904	464,565	1,195,031	63,632,619	41,973,195	$1,279,935.51	$999,195.24	1,659,596	105,605,814	$2,279,130.75
Average haul			137.	35.1				63.6	
Average cents per mile					2.0114c	2.3805c			2.1581c
1905	421,876	1,153,826	60,173,896	39,251,780	$1,219,738.96	$955,588.42	1,575,702	99,425,325	$2,175,327.38
Average haul			142.6	34.				63.1	
Average cents per mile					2.0270c	2.4345c			2.1878c
1906	491,266	1,204,042	76,305,113	40,070,336	$1,486,937.88	$964,126.83	1,695,308	116,375,449	$2,451,064.71
Average haul			155.3	33.2				68.6	
Average cents per mile					1.9487c	2.4061c			2.1061c
1907	602,350	1,252,364	90,266,304	49,158,057	$1,788,299.00	$1,080,088.83	1,854,714	137,424,361	$2,868,387.83
Average haul			149.8	39.2				75.1	
Average cents per mile					1.9811c	2.1972c			2.0573c
1908	667,103	1,496,244	98,309,654	54,937,666	$1,895,548.54	$1,060,319.97	2,163,347	153,247,320	$2,955,868.49
Average haul			147.4	36.7				70.8	
Average cents per mile					1.9281c	1.9300c			1.9289c

DEFENDANTS' EXHIBIT 3-M. HILLMAN.—*Cont.*

TABLE NO. 11

NORTHERN PACIFIC RAILWAY

1. Division Passenger Operating Expenses into:

2 and 3. Haulage and Non-Haulage.

4 and 5. Inter and Intra.

1906-1907 Fiscal Year.

	HEADS OF ACCOUNTS	1 Passenger	2 Haulage	3 Non-Haulage	4 Inter	5 Intra
1.	CONDUCTING TRANSPORTATION:					
2.	Station agents, clerks and laborers	$55,564.54		$55,564.54	$18,047.36	$37,517.18
3.	Station supplies	9,009.32		9,009.32	3,652.83	5,356.49
4.	Station furniture	1,336.08		1,336.08	278.35	1,057.73
5.	Switchmen and watchmen	47,642.65		47,642.65	30,843.85	16,798.80
8.	Telegraph expense	47,316.48	$35,811.60	11,504.88	26,921.21	20,395.27
9.	Operating expenses of terminals (Proportion of)	47,530.35		47,530.35	30,771.15	16,759.20
10.	Operation of leased lines	1,183.81		1,183.81	766.40	417.41
12.	Passenger conductors	69,603.04	69,603.04		45,061.01	24,542.03
14.	Passenger brakemen	50,848.53	50,848.53		32,919.34	17,929.19
15.	Passenger baggagemen	18,006.53	18,006.53		11,657.43	6,349.10
17.	Passenger train supplies and expenses	5,857.84	5,857.84		3,792.37	2,065.47
18.	Heating and lighting cars	27,411.91	27,411.91		17,776.47	9,665.44
19.	Oiling cars	3,326.75	3,326.75		2,153.74	1,173.01
20.	Cleaning passenger cars	23,695.18	23,695.18		15,340.26	8,354.92
21.	Engineers and firemen	148,641.39	148,641.39		96,230.44	52,410.95
22.	Engine dispatchers, wipers and roundhouse laborers	36,028.01	36,028.01		23,324.54	12,703.47
23.	Fuel for locomotives	279,305.06	279,305.06		180,822.10	98,482.96
24.	Oil, tallow and waste for locomotives	6,499.56	6,499.56		4,207.82	2,291.74
25.	Other locomotives supplies	3,369.53	3,369.53		2,181.43	1,188.10
26.	Water supply	14,785.01	14,785.01		9,571.82	5,213.19
28.	Damage and loss of baggage	1,349.92	1,349.92		873.94	475.98
29.	Damages to property	2,090.50		2,090.50	1,353.39	737.11

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30. Stock killed or injured	2,974.64		2,974.64	1,925.78	1,048.86
31. Personal injury	67,766.86		67,766.86	43,872.27	23,894.59
32. Wrecking	1,647.03	1,647.03		1,066.29	580.74
33. Car mileage—balance	*11,210.32	*11,210.32		*7,257.56	*3,952.76
34. Hire of equipment	534.68	534.68		346.15	188.53
35. Superintendence	17,507.61		17,507.61	10,891.48	6,616.13
38. Other expenses	399.21		399.21	248.35	150.86
39. Stationery and printing "A"	9,196.48		9,196.48	5,721.13	3,475.35
Total conducting transportation	$989,218.18	$715,511.25	$273,706.93	$615,361.14	$373,857.04
43. MAINTENANCE OF EQUIPMENT:					
44. Repairs of passenger cars	88,014.82	$88,014.82		$56,980.79	$31,034.03
45. Repairs of work cars	17,030.66		$17,030.66	10,393.81	6,636.85
47. Repairs of locomotives	123,085.74	123,085.74		79,685.71	43,400.03
49. Other equipment expenses	853.69		853.69	550.29	303.40
50. Supervision of equipment	6,547.10		6,547.10	4,220.26	2,326.84
51. Stationery and printing "B"	147.69		147.69	95.20	52.49
Total maintenance of equipment	$235,679.70	$211,100.56	$24,579.14	$151,926.06	$83,753.64
55. MAINTENANCE OF ROAD AND STRUCTURES:					
56. Removal of snow and ice	$26,455.94		$26,455.94	$15,979.39	$10,476.55
57. Repairs of roadway and track	154,703.98	$10,774.13	143,928.95	93,908.26	60,794.82
59. Repairs of cribbing and bulkheading	40.38		40.38	24.39	15.99
60. Repairs of bridges and culverts	25,074.61	2,664.37	22,410.24	15,260.69	9,813.92
61. Cattle guards, road crossings and track signs	8,237.32	1,510.63	6,726.69	5,040.90	3,196.42
62. Renewals of rails	13,692.57	1,369.26	12,323.31	8,329.74	5,362.83
63. Renewals of ties	34,525.48	4,317.06	30,208.42	21,040.75	13,484.73
64. Renewals of fastenings	14,122.18	1,412.22	12,709.96	8,591.09	5,531.09
65. Renewals of frogs, switches and misc. track material	34,735.31	22,381.68	21,951.49	12,783.82	
66. Maintenance of leased lines	2,689.32		2,689.32	1,624.35	1,064.97
67. Repairs of fences	2,797.95		2,797.95	1,689.96	1,107.99
68. Repairs of snow fences and snow sheds	4,134.30	4,134.30		2,676.55	1,457.75
69. Repairs of buildings	30,191.38		30,191.38	18,235.59	11,955.79
70. Repairs of water supply	5,541.18	3,338.57	2,202.61	3,491.77	2,049.41
71. Repairs of docks, wharves, landings and inclines					
72. Repairs of telegraph	3,160.33		3,160.33	1,908.84	1,251.49

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DEFENDANTS' EXHIBIT 3-M. HILLMAN.—*Cont.*

HEADS OF ACCOUNTS	1 Passenger	2 Haulage	3 Non-Haulage	4 Inter	5 Intra
73. Repairs of shop tools and machinery	$6,799.31		$6,799.31	$4,382.84	$2,416.47
74. Stationery and printing "C"	237.82		237.82	145.14	92.69
Total maintenance of road and structures	$367,155.53	$51,902.22	$315,253.31	$224,292.05	$142,863.48
79. TRAFFIC EXPENSES:					
80. Traffic department expenses	$11,562.57			$7,201.52	$4,361.05
81. Outside agencies	46,713.79			29,094.75	17,619.04
82. Advertising	21,378.31			13,315.05	8,063.26
Total traffic expenses	$79,654.67		$79,654.67	$49,611.32	$30,043.35
GENERAL EXPENSES:					
83. Salaries and expenses of Gen. officers	$9,560.05			$5,954.29	$3,605.76
84. Salaries of clerks	17,018.83			10,599.84	6,418.99
85. General office expenses	2,673.00			1,664.82	1,008.18
86. Legal expenses	4,956.77			3,087.23	1,869.54
87. Rents of bldgs., tracks, yards and terminals	54,546.93			33,973.46	20,573.47
88. Insurance	8,030.13			5,001.41	3,028.72
92. Printing and stationery "D"	3,765.57			2,345.31	1,420.26
94. New York office	5,415.93			3,373.20	2,042.73
95. Miscellaneous	1,895.59			1,180.63	714.96
Total general expenses	$107,862.80		$107,862.80	$67,180.19	$40,682.61
Total operating expenses	$1,779,570.88	$978,514.03	$801,056.85	$1,108,370.76	$671,200.12

TABLE NO. 12

NORTHERN PACIFIC RAILWAY

Passenger Earnings, 1906-7, State of Minnesota

A. Inter.
B. Intra.
C. Total.

	A. Inter	B. Intra	C. Total
Tickets and cash fares, (Table No. 10)	$1,788,209.00	$1,080,088.83	$2,868,297.83
Mail (N. P. report to State 1907, page 35.) (Allowed by the Ry. Co., as all intra.) Divided on ratio of expenses (in absence of other data), as the operating expenses include cost of handling, 62.283% Inter and 37.717% Intra	129,902.13	78,665.43	208,567.56
Express (N. P. report to State, 1907, page 35) allocated by the Railway Company	193,811.77	78,250.34	272,062.11
Extra baggage and storage (N. P. report to State, 1907, page 35) allocated by the Railway Company	35,000.79	1,178.41	36,179.20
Sleeping cars (N. P. report to State, 1907, page 35) Marked by Ry. Co. ("Cannot apportion") divided on basis of expenses for same reason as mail, 62.283% Inter, 37.717% Intra	34,813.66	21,082.26	55,895.92
Special trains (N. P. report to State, 1907, page 35) allocated by the Ry. Co.	278.99	589.00	867.99
Dining and observation cars (N. P. report to State, 1907, page 35) marked by Ry. Co. ("Cannot apportion") divided on "expense" basis, same as mail for same reasons	10,072.23	6,099.49	16,171.72
Lunch stands (N. P. report to State, 1907, page 35) marked by Ry. Co., ("Cannot apportion") all Intra	.....	4,532.09	4,532.09
Newspaper sales (N. P. report to State, 1907, page 35) marked by Ry. Co. ("Cannot apportion") all Intra	.....	462.87	462.87
	$2,192,178.57	$1,270,948.72	$3,463,127.29

TABLE NO. 13

NORTHERN PACIFIC RAILWAY

Cost of Conducting Passenger Business.
1906-1907

A. Earnings, Costs and Percentages on Direct Passenger Revenue only.	Inter	Intra	Total
Passenger miles, table No. 10	90,266,304	49,158,057	139,424,361
Passenger earnings (fares and tickets), table No. 10	$1,788,299.00	$1,080,088.83	$2,868,387.83
Per passenger per mile receipts (fares and tickets)	1.9811 cents	2.1972 cents	2.0573 cents
Relative receipts compared to total	98.296 "	106.800 "	100. "
Relative receipts compared Inter to Intra	100. "	110.906 "	.....
Operating expenses, table No. 11	$1,108,370.76	$671,200.12	$1,779,570.88
Operating percent	61.98%	62.14%	62.04%
Cost per passenger per mile	1.2279 cents	1.3654 cents	1.2765 cents
Relative cost compared to total	96.19%	106.96%	100.%
Relative cost Inter to Intra	100. %	111.19%	.....
B. Earnings, Costs and Percentages on Total Passenger Business.			
Passenger earnings, table No. 12	$2,192,178.57	$1,270,948.72	$3,463,127.29
Passenger earnings, per passenger per mile	2.4286 cents	2.5854 cents	2.4839 cents
Of which R. R. tickets and fares yield	1.9811 "	2.1972 "	2.0573 "
Of which other passenger tickets yield	.4475 "	.3882 "	.....
Relative all sources compared to total	97.78%	104.07%	100. %
Operating percent	50.56%	52.81%	51.38%
C. Earnings, Costs and Percentages, using 1907-8 Direct Passenger Receipts to show.			
Average earnings, tickets and fares per passenger per mile, under reduced rates shown in 1907-8.	1.9281 cents	1.9300 cents	1.9289 cents
Other passenger items from "B"	.4475 "	.3882 "	.4266 "
Total per passenger, per mile, 2c. rate	2.3756 cents	2.3182 cents	2.3555 cents
Expenses from "B"	1.2279 "	1.3654 "	1.2765 "
Operating percent, new rate	51.69%	58.89%	54.19%

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TABLE NO. 14

NORTHERN PACIFIC RAILWAY

Earnings and Operating Expenses 1906-7. State of Minnesota.

EARNINGS	Inter	Intra	Total
Passenger, table 12	$2,192,178.57	$1,270,948.72	$3,463,127.29
Freight, table 8	8,658,661.08	2,141,733.28	10,800,394.36
*Other earnings, telph. and telegh	2,483.82	790.52	3,274.34
Rents, track, yards and terminals	178,787.70	56,902.75	235,690.45
Rents, other	36,889.28	11,740.75	48,630.03
Total earnings	$11,069,000.45	$3,482,116.02	$14,551,116.47
*Divided between inter and intra on expense basis.			
EXPENSES			
Passenger, table 11	$1,108,370.76	$671,200.12	$1,779,570.88
Freight, table 7	4,715,969.17	1,182,490.89	5,898,460.06
Total expenses	$5,824,339.93	$1,853,691.01	$7,678,030.94
Operating per cent	52.618	53.260	52.766
Net earnings	$5,244,660.52	$1,628,425.01	$6,873,085.53

DEFENDANTS' EXHIBIT 3-M. HILLMAN.—*Cont.*

TABLE No. 15.

NORTHERN PACIFIC RAILWAY.

Application of reduction percentage to year 1906–7 showing final reductions.

FREIGHT

For the months of July, August, September, October and one half of November, 1906, neither class rates nor commodity rates were in effect. Business originally credited to Intra-state by the N. P. Ry. July, August, September and October	$1,082,945.22	
To this add one eighth for the half month of November, 1–15 1906	135,368.15	
Total business for 4½ months	$1,218,313.37	
Reduction as per Johnson's exhibit 63, 8.11% would have been		$98,805.22
For the fiscal year the N. P. Ry. credited originally to Intra-state business	$2,857,284.20	
Deduct above 4½ months	1,218,313.37	
Balance Intra-state for 7½ months during which class rates were in effect but not the commodity rates	$1,638,970.83	
N. B. (During these 7½ months all class business was figured into the earnings at the reduced rate.)		
Johnson's exhibit 63, shows loss on commodity rate business of $22,636.70 on a total business of $1,484,850.52 or 1.524%, applying this % to the above balance of $1,638,970.83 gives loss on all balance of business for 7½ months of		24,977.92
Or a total loss for the year on all business originally classed as Intra-state, of		$123,783.14
Referring to table 8, we have considered in our earnings only 72.64% of the above total of $2,857,284.20 as Intra-state.		
We, therefore, stand 72.64% of the loss of $123,783.14 or		89,916.07
Which is the total reduction (actual and potential) on freight for year 1906–7.		

PASSENGER

Table No. 10 shows passenger fares and tickets for 1906–7	$1,080,088.83	
Table No. 10 shows 49,158,057 passenger miles carried Intra-state for year 1906–7. It also shows that year 1907–8, during which the 2c rate was continuously in effect, that the average rate per passenger per mile was 1.93c (figures from N. P. records), therefore 49,158,057 passenger miles x 1.93c shows the reduced receipts for 1906–7	948,750.51	
Difference—reduction passenger business 1906–7 had the 2c rate been in effect the whole year		$131,448.32

TABLE No. 16

NORTHERN PACIFIC RAILWAY.

Statement showing:

(1) Total net Intra-state revenue from operation in Minnesota which N. P. Ry. would have received in year ending June 30th, 1907, under the prescribed rates, both freight and passenger, if all of the same had been in force during the entire year.

(2) Proportion of revenue from other sources with which Minnesota Intra-state business should be credited.

(3) Total income derived as above, and applicable to interest and dividends.

	FREIGHT		
Gross Earnings, table 8	$2,141,733.28		
Total reduction, table 15	89,916.07		
Balance, gross earnings	$2,051,817.21		
Operating expenses, table 7		$1,182,490.89 (57.631%)	
Taxes		82,072.69 (4%)	
Net earnings, freight			$787,253.63
	PASSENGER		
Gross earnings, table 12	$1,270,948.72		
Total reduction, table 15	131,338.32		
Balance, gross earnings	$1,139,610.40		
Operating expenses		$671,200.12 (58.897%)	
Taxes		45,584.42 (4%)	
		$716,784.54	
Net earnings, passenger			$422,825.86
(1) Total freight and passenger			$1,210,079.49
	MISCELLANEOUS		
(2) Rentals, table 13	$69,434.02		
Taxes		$2,777.36	
Net miscellaneous earnings			$66,656.66
(2) Net income from investments 5.408% of total			107,895.65
(3) Total income applicable to Interest and Dividends			$1,384,631.80

DEFENDANTS' EXHIBIT 3-N. HILLMAN.—*Cont.*

HEADS OF ACCOUNTS				
64. Renewals of fastenings	$39,304.14	$29,415.40	$47,755.96	$20,963.58
65. Renewals of frogs, switches and Misc. track material	83,164.48	62,240.67	101,047.85	44,357.30
66. Maintenance of leased lines	619.90	2,689.32	619.90	2,689.32
67. Repairs of fences	5,875.74	4,397.42	7,139.23	3,133.93
68. Repairs of snow fences and snow sheds	5,553.34	4,156.14	6,747.51	2,961.97
69. Repairs of buildings	81,283.02	52,353.85	94,601.01	39,035.86
70. Repairs of water supply	9,249.20	6,922.13	11,238.10	4,933.23
71. Repairs of docks, wharves, landings and inclines	45,179.59	17.07	45,179.59	17.07
72. Repairs of telegraph	6,635.66	4,966.15	8,062.56	3,539.25
73. Repairs of shop tools and machinery	19,597.18	14,666.62	23,810.00	10,453.80
74. Stationery and printing "C"	549.11	410.96	667.19	292.88
Total	$377,416.52	$616,613.61	1,052,060.77	$441,969.36
79. TRAFFIC EXPENSES:				
80. Traffic department expenses	$22,572.54	$12,254.46	$23,459.10	$11,367.90
81. Outside agencies	42,144.84	43,689.60	45,347.12	40,487.32
82. Advertising	579.16	21,562.86	703.70	21,438.32
Total	$65,296.54	$77,506.92	$69,509.92	$73,293.54
83. Salaries and expenses of Gen. officers	$23,745.64	$17,771.35	$28,851.82	$12,665.17
84. Salaries of clerks	44,915.63	23,717.05	49,224.13	19,408.55
85. General office expenses	6,335.77	4,741.72	7,698.19	3,379.30
86. Legal expenses	13,483.21	8,779.17	15,860.18	6,402.20
87. Rents of buildings, tracks, yards and terminals	16,802.66	54,546.93	16,802.66	54,546.93
88. Insurance	16,860.05	12,618.13	20,485.57	8,992.61
92. Stationery and printing "D"	5,192.97	2,795.92	5,192.97	2,795.92
93. Stationery and printing "E"	4,756.31	3,607.66	4,756.31	3,607.66
94. New York office	13,795.38	10,324.52	16,761.88	7,358.02
95. Miscellaneous	5,712.37	2,893.77	6,461.97	2,144.17
Total	$151,599.99	$141,796.22	$172,095.68	$121,300.53
Total operating expenses	$5,547,123.24	$2,171,245.90	$5,828,840.36	$1,889,528.78

DEFENDANTS' EXHIBIT

OPERATING EXPENSES—All Divisions Minnesota, Freight and Passenger. Train Mileage Basis including Switching (5% Switchin
with Minnesota Un

	Terminal		Lake Superior		St. Paul		M
	Freight	Passenger	Freight	Passenger	Freight	Passenger	Freight
Conducting Transportation, Total	$637,117.41	$91,232.92	$1,277,939.72	$240,106.45	$551,673.31	$295,686.10	$791,000.
Maintenance of Equipment, Total	38,000.02	4,062.94	341,987.06	56,116.17	210,385.63	81,666.83	285,046
Maintenance of Road and Structures, Total	128,368.13	59,283.63	458,154.77	149,934.66	195,005.23	80,645.39	110,440
Traffic Expense, Total	.....	.....	25,002.11	22,112.92	19,254.05	24,068.84	13,201.
General Expense, Total	9,689.06	36,078.76	56,799.37	31,542.79	52,944.32	24,100.98	33,017.
Grand Total Operating Expense	$813,174.62	$191,268.15	$2,159,893.05	$508,813.04	$1,029,253.43	$515,253.05	$1,234,805.

BIT 3-O. HILLMAN.

bing treated as Passenger), Northern Pacific Allocation accepted, using operating divisional methods for the purpose of checking
Unit Division.

Minnesota		Lake Superior Branch		St. Paul Branch		Minnesota Branch		Totals	
ight	Passenger	Freight	Passenger	Freight	Passenger	Freight	Passenger	Freight	Passenger
,000.82	$226,540.63	$37,273.47	$29,967.86	$121,964.38	$41,467.56	$163,905.14	$76,509.69	$3,280,886.49	$1,019,831.26
,046.37	76,973.56	6,806.08	2,026.48	24,462.13	7,193.81	37,064.03	13,800.26	943,431.56	244,271.62
,449.29	82,337.70	24,137.05	14,772.35	82,043.17	31,695.16	83,931.26	53,226.16	1,083,089.36	440,970.27
,301.20	16,237.51	1,383.32	1,471.79	3,430.29	3,890.00	5,045.88	5,805.66	69,267.75	73,494.71
,017.44	16,588.62	2,549.56	1,417.43	8,623.46	3,566.06	11,038.04	6,343.82	174,875.25	118,730.46
,806.09	$396,066.01	$71,799.45	$51,547.99	$211,589.92	$77,817.59	$300,914.35	$155,630.57	$5,231,380.32	$1,896,098.32

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DEFENDANTS' EXHIBIT 3-Q. HILLMAN.

NORTHERN PACIFIC RAILWAY COMPANY.

Statement showing Tons, Ton Miles and Earnings, State of Minnesota, for fiscal year ending June 30, 1907.

	Tons			Ton Miles			Earnings		
	Intrastate	Interstate	Total	Intrastate	Interstate	Total	Intrastate	Interstate	Total
July, 1906	302,329	330,502	632,831	33,160,884	64,039,155	97,200,039	$286,418.99	$568,866.81	$855,285.80
August, 1906	264,645	349,177	613,822	27,034,915	65,980,273	93,015,188	253,214.19	617,552.27	870,766.46
September, 1906	241,254	433,140	674,394	25,724,144	90,050,179	115,774,323	245,662.79	791,075.09	1,036,737.88
October, 1906	273,399	614,894	888,293	29,265,787	132,349,696	161,615,483	297,649.25	1,010,213.92	1,307,863.17
November, 1906	244,289	517,754	762,043	31,241,193	105,222,091	136,463,284	271,305.52	791,003.98	1,062,309.50
December, 1906	197,946	441,580	639,526	25,962,051	87,326,057	113,288,108	223,416.08	663,949.99	887,366.07
January, 1907	154,211	245,798	400,009	17,591,827	48,660,411	66,252,238	174,503.81	371,508.68	546,012.49
February, 1907	145,408	218,429	363,837	15,924,181	40,868,547	56,792,728	161,425.98	332,462.53	493,888.51
March, 1907	195,057	348,663	543,720	22,211,153	69,478,042	91,689,195	230,935.37	640,216.03	871,151.40
April, 1907	213,789	408,068	621,857	24,673,376	80,994,711	105,668,087	239,197.01	702,027.10	941,224.11
May, 1907	234,226	402,576	636,802	24,789,598	78,900,525	103,690,123	244,809.40	665,019.96	909,829.36
June, 1907	229,635	346,117	575,752	22,236,330	65,443,669	87,679,999	228,745.81	520,517.81	749,263.62
Total	2,696,188	4,656,698	7,352,886	299,815,439	929,313,356	1,229,128,795	$2,857,284.20	$7,674,414.17	$10,531,698.37

Office of Auditor Freight Receipts, St. Paul, Minn., November 28th, 1908.

CHARTS

TOO LARGE FOR FILMING

DEFENDANTS' EXHIBIT 3-T. MORGAN.

CITY OF ST. PAUL.

Total Area within Corporate Limits	Total Acreage	Exempt Acreage
	35,483	
Water—area		2,093
Railroad lands		1,917
Streets and alleys		6,839
Parks		1,569
Schools (Public)		66
Fire department houses and other City property		30
Churches, hospitals, and parochial schools		124
U. S. Government and State		17
Cemeteries		240
Totals	35,483	12,895

1906 Assessment			Total True Value	Net Acreage Assessed
Lands	$48,569,242.00	@ 60% rates =	$80,948,736.00	22,588
Improvements	30,835,565.00	@ 50% rates =	61,671,130.00	
Totals	$79,404,807.00		$142,619,866.00	

CITY OF MINNEAPOLIS.

Total Area within Corporate Limits	Total Acreage	Exempt Acreage
	34,106	
Water—area		1,851
Railroad lands		1,543
Streets and alleys		7,054
Parks		1,352
Schools (Public)		98
Fire department houses and other City property		98
Churches, hospitals and parochial schools		167
U. S. Government and State		100
Cemeteries		355
Totals	34,106	12,618

1906 Assessment			Total True Value	Net Acreage Assessed
Lands	$64,870,560.00	@54.7% rates =	$118,593,345.00	21,488
Improvements	56,674,150.00	@54.7% rates =	103,609,049.00	
Totals	$121,544,710.00		$222,202,394.00	

MINNESOTA RAILROAD APPRAISAL OF 6-30-07.

Area in Acres Owned By Railroads	RAILROAD'S		STATE'S	
	Market Value	Reproduction Cost	True Value Estimate "B"	Railroad Val. Estimate "A"
1,917.108	All Not Given	$39,039,360.88	$13,241,734.66	$23,071,155.13

Railroads own the equivalent of 8½% of Assessed Area, on which they place a Reproduction Cost of $39,039,360.88, which R. C. is equivalent to 48.2% of the true value of all the 22,588 acres assessed in the City of St. Paul.

State's Railroad Value of Railroad lands is equivalent to 28 4/10% of the True Value of all assessed lands in the City of St. Paul.

State's True Value of Railroad Lands is 16 3/10% of the True Value of all assessed lands in the City of St. Paul.

63.7% of total area within corporate limits of St. Paul ONLY is assessed.

MINNESOTA RAILROAD APPRAISAL OF 6-30-07

Area in Acres Owned by Railroads	RAILROAD'S		STATE'S	
	Market Value	Reproduction Cost	True Value Estimate "B"	Railroad Value Estimate "A"
1,543.271	All Not Given	$40,938,403.42	$13,728,015.27	$21,781,488.57

Railroads own the equivalent of 7 1/10% of the Assessed Area, on which they place a Reproduction Cost of $40,938,403.42. which R. C. is equivalent to 34 5/10% of the True Value of all the 21,488 acres assessed in the City of Minneapolis.

State's Railroad Value, of Railroad Lands, is equivalent to 18 3/10% of the True Value of all assessed lands in the City of Minneapolis.

State's True Value of Railroad Lands is equivalent to 11½% of the true value of all assessed lands in the City of Minneapolis.

63% of total area within corporate limits of Minneapolis ONLY is assessed.

The minimum weights on the commodities covered by Schedule "B" in use at the present time by the respective companies are to remain in effect and will govern until changed by the Commission.

When rates for exact distance are not shown, the rates for the next greater distance as shown on Schedule "B" may govern.

THE FOLLOWING COMMODITIES IN CAR LOAD LOTS WILL TAKE RATES AS DESIGNATED:

Broom Corn Seed.	Hemp Seed,	Millet Seed.	Pop Corn.		Wheat Flax Seed & Flour Rates.
Castor Beans,	Hungarian Seed,				
Buckwheat,	Buckwheat Flour,	Potato Flour,	Wheat Flour.	Prepared Flour,	
Also all uncooked Grain or Cereal Products manufactured from Wheat. (See note.)					
Alfalfa Feed,	Chopped Feed (other than wheat chops),	Gluten Feed,	Middlings,		Corn Oats Rye & Barley Rates.
Alfalfa Meal,		Gluten Meal,	Oats,		
Barley,	Corn Flour,	Grain Screenings,	Rye,		
Bran,	Corn Meal,	Hominy Feed,	Shorts,		
Brewers' Grits,	Cotton Seed Cake,	Kafir Corn,	Sorghum Seed,		
Brewers' Meal,	Cotton Seed Hulls,	Linseed Cake,	Spelts,		
Brewers' Refuse, Dry,	Cotton Seed Meal,	Linseed Meal,	Wild Mustard Seed.		
Also all uncooked Grain or Cereal Products manufactured from Corn. (See note.)					
Oat Groats,	Rolled Oats,	Oat Dust,	Oat Hulls,	Oatmeal,	
Also all uncooked Grain or Cereal Products manufactured from Oats. (See note.)					
	Rolled Rye,			Rye Flour,	
Also all uncooked Grain or Cereal Products manufactured from Rye. (See note.)					
	Malt,			Pearl Barley,	
Also all uncooked Grain or Cereal Products manufactured from Barley, (See note.)					

NOTE—Classification and Class Rates to apply on Cereal Products or Grain Products cooked or partially cooked ready to serve.

CHARTS

TOO LARGE FOR FILMING

EXHIBIT 1. MASTER.

NORTHERN PACIFIC RAILWAY COMPANY.

"MINNESOTA RATE CASE."

Statement showing Minnesota Intrastate Freight business as classified and as revised on basis of haul from point of origin to final destination. (Local on basis of forwarded; Interline on basis of received.)

OCTOBER 1905 and APRIL 1906

	Tons	Percent	Ton Miles	Percent	Revenue	Percent
Hard Coal						
Minnesota Intrastate	4,399	77.90	544,099	74.14	$3,650.03	82.24
" Interstate	1,248	22.10	189,774	25.86	788.36	17.76
Total originally classified as Intrastate	5,647	100.	733,873	100.	$4,438.39	100.
Soft Coal						
Minnesota Intrastate	21,068	80.21	2,959,700	79.01	$17,359.26	85.
" Interstate	5,198	19.79	786,256	20.99	3,062.95	15.
Total originally classified as Intrastate	26,266	100.	3,745,956	100.	$20,422.21	100.
Grain						
Minnesota Intrastate	34,593	47.37	5,695,671	43.73	$59,521.76	69.39
" Interstate	38,437	52.63	7,328,954	56.27	26,258.11	30.61
Total originally classified as Intrastate	73,030	100.	13,024,625	100.	$85,779.87	100.
Lumber and Shingles						
Minnesota Intrastate	40,296	34.20	4,342,757	33.07	$35,077.98	37.59
" Interstate	77,542	65.80	8,788,515	66.93	58,241.97	62.41
Total originally classified as Intrastate	117,838	100.	13,131,272	100.00	$93,319.95	100.
Live Stock						
Minnesota Intrastate	4,937	91.94	705,855	93.57	$12,661.06	92.75
" Interstate	433	8.06	48,480	6.43	989.44	7.25
Total originally classified as Intrastate	5,370	100.	754,335	100.	$13,650.50	100.

EXHIBIT 1. MASTER.—*Cont.*

	Tons	Percent	Ton Miles	Percent	Revenue	Percent
Total Commodities						
Minnesota Intrastate	105,293	46.15	14,248,082	45.39	$128,270.09	58.94
" Interstate	122,858	53.85	17,141,979	54.61	89,340.83	41.06
Total originally classified as Intrastate	228,151	100.	31,390,061	100.	$217,610.92	100.
Merchandise and Class Rate						
Minnesota Intrastate	105,079	55.49	9,223,374	44.	$160,443.30	55.97
" Interstate	84,296	44.51	11,737,404	56.	126,198.23	44.03
Total originally classified as Intrastate	189,375	100.	20,960,778	100.	$286,641.53	100.
Total Commodities, Merchandise and Class Rate						
Minnesota Intrastate	210,372	50.39	23,471,456	44.83	$288,713.39	57.26
" Interstate	207,154	49.61	28,879,383	55.17	215,539.06	42.74
Total originally classified as Intrastate	417,526	100.	52,350,839	100.	$504,252.45	100.
Logs, Wood, Poles, etc.						
Minnesota Intrastate	63,794	80.90	4,631,526	69.78	$32,366.41	73.09
" Interstate	15,058	19.10	2,005,522	30.22	11,914.71	26.91
Total originally classified as Intrastate	78,852	100.	6,637,048	100.	$44,281.12	100.
Grand Total						
Minnesota Intrastate	274,166	55.23	28,102,982	47.64	$321,079.80	58.53
" Interstate	222,212	44.77	30,884,905	52.36	227,453.77	41.47
Total originally classified as Intrastate	496,378	100.	58,987,887	100.	$548,533.57	100.

Office of Auditor Freight Receipts.
St. Paul, Minn., June 30, 1908.

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